

## Child Support Program - SACSS Impact

### DESCRIPTION:

This premise reflects the net impact on Temporary Assistance to Needy Families (TANF)/Foster Care (FC) collections for the 16 fully operational Statewide Automated Child Support System (SACSS) counties although the SACSS project has been terminated.

SB 2718 (Chapter 1313, Statutes of 1990) requires the Department to ensure that the SACSS is operational in all counties, except Los Angeles County. The Department has estimated the positive and negative impacts upon TANF/FC and non-TANF child support collections that are attributable to SACSS conversion and implementation activities.

### IMPLEMENTATION DATE:

This premise was implemented on July 1, 1993.

### KEY DATA/ASSUMPTIONS:

- There are 16 counties fully operational on SACSS (Alpine, Amador, Del Norte, Inyo, Lake, Mariposa, Mendocino, Modoc, Mono, Placer, Plumas, San Luis Obispo, Sierra, Siskiyou, Trinity, and Ventura).
- Collections resume to the projected statewide trend plus an increased growth rate of 1.24 percent for SACSS impact.
- The 16 counties represent 7.36 percent of the statewide collections.

### METHODOLOGY:

The estimated increased collections are based on the 16 SACSS operational counties' percentage of statewide collections, adjusted by the statewide growth factor attributable to SACSS resulting in an increase of 9.13 percent. This percentage was then applied to the Fiscal Year (FY) 1997-98 average monthly year-over collection growth of \$2,925,500, resulting in an annual projected amount of \$3,204,676. This amount was adjusted by applying the current distribution ratio of 98.11 percent and subtracting payments to families at 6.85 percent. The net collections attributable to SACSS for the 16 counties are \$2,924,000.

### FUNDING:

The TANF/FC collections are shared based on the Federal Medical Assistance Percentage (FMAP):

#### TANF:

	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	47.29%	46.33%	46.03%
County	2.48%	2.44%	2.42%

## Child Support Program - SACSS Impact

FC:

	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	19.91%	19.51%	19.38%
County	29.86%	29.26%	29.07%

No funds are estimated for FY 1998-99 due to the termination of the SACSS project.

### CHANGE FROM PRIOR SUBVENTION:

The total amount remains the same, but there is a change in the distribution of cost. The sharing ratios were updated to reflect the FMAP which were used to share the collections amount rather than using prior year actuals.

### REASON FOR YEAR-TO-YEAR CHANGE:

No funds are estimated for FY 1998-99 due to the termination of the SACSS project.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	-\$2,924	\$0
Federal	-1,490	0
State	-1,325	0
County	-109	0
Reimbursements	0	0

## Franchise Tax Board Collection Program

### DESCRIPTION:

This premise displays the collections obtained by the Franchise Tax Board (FTB) which sends demand for payment notices and processes bank and wage levies on accounts for child support collections based on county referrals.

Pursuant to AB 3589 (Chapter 1223, Statutes of 1992), district attorney offices in the Counties of Los Angeles, Ventura, Santa Clara, Solano, Nevada, and Fresno volunteered to work with the FTB to design, test and implement a pilot child support collection program. As of December 1993, these pilot counties became fully operational with this program. AB 923 (Chapter 906, Statutes of 1994) authorized expansion of the FTB Program statewide by December 31, 1996.

AB 1395 (Chapter 614, Statutes of 1997) mandates the district attorney offices to refer all child support cases that are delinquent by 90 days to the FTB for collection effective January 1, 1998.

AB 702 (Chapter 697, Statutes of 1997) requires a data match system between the FTB and financial institutions doing business in the State. Its purpose is to discover otherwise unknown assets of delinquent child support obligors. The system has been mandated by the federal mandate, P.L. 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

This premise schedules only the estimated Temporary Assistance for Needy Families (TANF)/Foster Care (FC) Program collections associated with the FTB collections program. FTB support costs are funded through the Department's state operations at 66 percent federal financial participation and 34 percent General Fund, and are passed on to FTB through an interagency agreement.

### IMPLEMENTATION DATE:

- March 1, 1993 – Volunteer case referrals
- January 1, 1998 – 90-day delinquent cases
- July 1, 1998 – Financial Institution Data Match (FIDM) system

### KEY DATA/ASSUMPTIONS:

#### Base Collections:

- Collections are based on FTB's monthly child support collection reports for the period from July 1996 to June 1997.
- The year-to-year growth rate of Calendar Year 1997 FTB collections (\$32,466,000) over the Calendar Year 1996 collection level (\$29,826,000) was 8.85 percent.

#### 90-Day Delinquent:

- The average 90-day delinquent cases of 125,000 for Fiscal Year (FY) 1997-98 and 315,065 for FY 1998-99 are based on the average inventory that FTB estimates to process.
- The TANF/FC ratio (59.9 percent) and the distribution ratio (94.70 percent) are based on the FTB's historical collection data from the period of December 1993 to February 1998.

## Franchise Tax Board Collection Program

- The average amount collected per case, \$240 for FY 1997-98, and \$157 for FY 1998-99 is based on the FTB's historical collection data from the period of December 1993 to February 1998.

### FIDM:

- The volume of bank levies notices sent (16,180) is based on the FTB's Child Support Collection Program FY 1996-97 Annual Report, Case Action Summary.
- The percent of matches (30 percent) is comprised of 16 percent of returned closed accounts reopened and 14 percent of noninterest bearing accounts being accessible based on FTB data for current levy process (1,099) cases.
- Average amount collected for FIDM cases (\$1,230) is based on FTB data for current levy process (1,099) cases.

## METHODOLOGY:

### Base Collections:

The FY 1997-98 FTB collections (\$32,890,327) are based on the FY 1996-97 actuals (\$30,215,906) increased by the year-to-year growth rate of 8.85 percent. The FY 1998-99 FTB collections (\$35,801,461) are based on the FY 1997-98 estimated TANF/FC collections (\$32,890,327) increased by the year-to-year growth rate of 8.85 percent.

### 90-Day Delinquent:

For FY 1997-98, the FTB TANF/FC ratio of 59.9 percent was applied to the average inventory (125,000) that FTB has estimated to process to determine the TANF/FC cases (74,825). Then the average amount collected (\$240) was applied to determine the FY 1997-98 collection amount (\$17,958,000). This projected amount was adjusted by applying the current composite distribution and payment to families ratio (94.7 percent) and then divided in half for a half-year operation (\$8,498,624).

For FY 1998-99, the FTB TANF/FC ratio of 59.9 percent was applied to the average inventory (315,065) that FTB can accommodate to determine the TANF/FC cases (188,598). Then the average amount collected (\$157) was applied to determine the FY 1998-99 collection amount (\$29,609,872). This projected amount was adjusted by applying the current composite distribution and payment to families ratio (94.7 percent), resulting in \$29,025,744.

### FIDM:

For FY 1998-99, the volume of bank levies notice sent (16,180) was multiplied by the percent of matches (30 percent) to determine the number of matches (4,854). Then the FTB TANF/FC ratio of 59.9 percent was applied to determine the TANF/FC cases (2,908). The average amount collected, \$1,230, was then applied to the TANF/FC cases to determine the FY 1998-99 collection amount (\$3,576,282). Then the estimated collected amount was multiplied by 25 percent for one quarter of collections (\$894,070). This projected amount was adjusted by applying the current composite distribution and payment to families ratio (94.7 percent) resulting in \$846,685.

The net FTB base collections of \$32,890,327, and the net 90-day delinquent collections of \$8,498,624 were added for a total collection amount of \$41,388,951 for FY 1997-98.

The net FTB base collections of \$35,801,461, and the net 90-day delinquent collections of \$28,025,744, were added to the net FIDM collections of \$846,685 for a total collection amount of \$64,673,890 for FY 1998-99.

## Franchise Tax Board Collection Program

### FUNDING:

The TANF/FC collections are shared based on the Federal Medical Assistance Percentage (FMAP). These ratios are reflected as follows:

#### TANF:

	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	47.29%	46.33%	46.03%
County	2.48%	2.44%	2.42%

#### FC:

	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	19.91%	19.51%	19.38%
County	29.86%	29.26%	29.07%

### CHANGE FROM PRIOR SUBVENTION:

The year-to-year growth was updated based on the average monthly collections as reported in the monthly FTB collection reports for the calendar period from January 1997 through December 1997. The estimate for the 90-day delinquent cases was revised to use the number of cases FTB estimated to process rather than the SLMS reported cases. The estimate was updated to include the implementation of the FIDM system.

The sharing ratios were updated to reflect the FMAP which was used to share the collections amount rather than using prior-year actuals.

### REASON FOR YEAR-TO-YEAR CHANGE:

The FY 1998-99 estimate added the FIDM activity.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	-\$41,389	-\$64,674
Federal	-21,100	-33,287
State	-18,748	-29,004
County	-1,541	-2,383
Reimbursements	0	0

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## Statewide Utility Match System Expansion

### DESCRIPTION:

This premise reflects the estimated child support collections as a result of the expansion of the locate and intercept services provided by the California Parent Locator Service (CPLS) through the Statewide Utility Match System (SUMS).

Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PROWRA), requires that cable television companies be accessed for customer information. CPLS will be required to utilize cable television companies for data interfaces, resulting in a significant increase in "matched" data being processed. SB 101 (Chapter 110, Statutes of 1991), required CPLS to access the records maintained by California's public utilities. CPLS in a joint development effort with the Department of Social Services created SUMS to allow the data from locate requests from county family support divisions to be matched with utility companies' customer data files. However, because of federal restriction on cable television company records, the bill did not authorize access to these records. Section 325 of the PROWRA has not only eliminated these restrictions, but has mandated that such records are accessed to enhance child support order establishment and enforcement efforts.

### IMPLEMENTATION DATE:

This premise will be implemented on July 1, 1998

### KEY DATA/ASSUMPTIONS:

- Based on combined monthly (December 1997, January 1998, and February 1998) data provided by CPLS, there are 587,511 noncustodial parents (NCP) in locate status.
- Four cable television companies (Time Warner, Century, TCI, and Cox Cable) will implement with the system fully operational by October 1998.
- The 6.0 percent composite match rate is an average based on the assumption that cable companies are a luxury, and their match rate would be half of the other utility companies, which are 12 percent.
- The 81.5 percent NCP match rate is based on CPLS data of locate responses for NCPs.
- The 54.0 percent correct NCP match rate is based on CPLS data that the match will provide the correct NCP with an address.
- Based on the SUMS pilot project of August 1995, 29.0 percent of NCPs will have an established support order.
- Based on the SUMS pilot project of August 1995, 25.0 percent of those NCPs located will result in a collection.
- Based on the June 1996 Child Support Enforcement Program Characteristic Survey, Table 12 - Support Orders-Non Custodial Parents, 59.3 percent are Temporary Assistance for Needy Families (TANF) Program cases.
- The average amount collected of \$1,200 is based on a one-time enforcement action from the performance of other similar systems provided by Child Support Program staff.

## Statewide Utility Match System Expansion

- Based on the OCSE 34, Quarterly Report of Collections, the Fiscal Year (FY) 1996-97 TANF distribution ratio is 98.11 percent, and the payments-to-families ratio is 6.85 percent.

### METHODOLOGY:

To calculate FY 1998-99 grant savings, the estimated number of NCPs in locate status during one quarter (587,511) was multiplied by three to identify the period of full operation (1,762,533). This number was multiplied by the number of cable companies (4) and then multiplied by the composite match rate of 6.0 percent to determine the number of NCPs matched (423,008). This number was multiplied by the NCP match rate of 81.5 percent to determine the number of matches that belong to the NCP being sought (344,751). This number was multiplied by the correct NCP match rate of 54.0 percent to determine the number of NCP correctly matched with an address provided (186,166). This number was then multiplied by the percentage of existing support orders (29.0 percent) to determine the number of correct matches with a child support order (53,988). Then this number was multiplied by the collectible rate of 25 percent. This number (13,497) was multiplied by 59.3 percent to determine the number of TANF cases with orders (8,004). The number of TANF cases was then multiplied by the average amount collected (\$1,200). This projected amount (\$9,604,000) was adjusted by applying the current distribution ratio of 98.11 percent and subtracting payments to families at 6.85 percent. The net collections of these adjustments are \$8,777,000.

### FUNDING:

The TANF/Foster Care (FC) Program collections are shared based on the Federal Medical Assistance Percentage. These ratios are reflected as follows:

#### TANF:

	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	47.29%	46.33%	46.03%
County	2.48%	2.44%	2.42%

#### FC:

	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	19.91%	19.51%	19.38%
County	29.86%	29.26%	29.07%

### CHANGE FROM PRIOR SUBVENTION:

This is a new premise.



## Statewide Utility Match System Expansion

### REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements on July 1, 1998, and savings are reflected for three-quarters of FY 1998-99.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$0	-\$8,777
Federal	0	-4,517
State	0	-3,936
County	0	-324
Reimbursements	0	0

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## Federal Debt Collection Act

### DESCRIPTION:

This premise reflects collections obtained through the new federal intercept program with the federal Department of Treasury's Financial Management Service (FMS).

The Debt Collection Act of 1996, Public Law 104-134, was enacted into law on April 26, 1996, as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996. The Executive Order 13019 - Supporting Families: Collecting Delinquent Child Support Obligations (The Debt Collection Act) contains provisions that assist families in collecting past due support obligations by allowing states to offset federal administrative payments (benefits, pensions, grants, etc.). States are mandated to participate in this new federal intercept program. The California Department of Social Services (CDSS) would provide an annual submission file to the Internal Revenue Service (IRS) and FMS each year and then submit new cases throughout the year. Currently, a single file is sent once a year. With this new provision, CDSS will be sending new cases weekly to FMS and IRS. The combined federal intercept programs will increase California's master file.

### IMPLEMENTATION DATE:

- September 1997 through December 1997 – All counties for interim collections
- March 1, 1998 - Los Angeles County
- July 1, 1998 - Remaining 57 counties

### KEY DATA/ASSUMPTIONS:

- Due to system problems at the federal level, California decided to withdraw from participation at the end of December 1997, and to delay implementation until July 1, 1998.
- Los Angeles County has elected to begin March 1, 1998.
- An interim period of collections did occur between September 1997 through December 1997.
- The federal vendor payments file matches 460,000 child support cases nationwide annually.
- California cases represent 11 percent of IRS child support cases.
- California has a 22-percent hit rate of those cases matched by IRS.
- Within California's hits, 83.6 percent are Temporary Assistance to Needy Families (TANF) Program cases based on the IRS welfare intercept to the total IRS intercept for Calendar Year 1997.
- The average monthly TANF support collected is \$235 based on the June 1996 Characteristics Survey, Table 15 - Total Amount of Child Support Collected in Month.
- Collections begin after 30-day notices are issued and continue on a monthly basis.
- Based on the OCSE 34, Quarterly Report of Collections, the Fiscal Year (FY) 1996-97 TANF distribution is 98.11 percent, and the payments-to-families ratio is 6.85 percent.

## Federal Debt Collection Act

### METHODOLOGY:

For FY 1997-98, the estimate is based on actual collections for the period September 1997 through December 1997 of \$55,000 and Los Angeles County projected collections of \$20,000 for the period March 1998 through June 1998 for a total of \$75,000. Then the TANF rate of 83.6 percent was applied to the combined total of \$75,000 to identify the TANF collections. These TANF collections were then adjusted by applying the current distribution ratio of 98.11 percent and subtracting payments to families at 6.85 percent. Net collections after these adjustments are \$57,000.

For FY 1998-99, the nationwide child support payments matched to the federal vendor payments (460,000) were multiplied by the IRS California collection match rate of 11 percent. These total matches were then multiplied by the California hit rate of 22 percent to determine the total cases with collections. Then the TANF rate of 83.6 percent was applied to identify the TANF cases. That number was divided by 12 to determine the average monthly cases. The average monthly TANF cases were multiplied by the cumulative number of 78 casemonth payments. The total casemonths were then multiplied by the average TANF monthly support (\$235) to determine the total collections. The projected TANF collections were then adjusted by applying the current distribution ratio of 98.11 percent and subtracting payments to families at 6.85 percent. Net collections after these adjustments are \$12,991,000.

### FUNDING:

The TANF/foster care (FC) collections are shared based on the Federal Medical Assistance Percentage (FMAP). These ratios are reflected as follows:

#### TANF:

	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	47.29%	46.33%	46.03%
County	2.48%	2.44%	2.42%

#### FC:

	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	19.91%	19.51%	19.38%
County	29.86%	29.26%	29.07%

### CHANGE FROM PRIOR SUBVENTION:

This premise was updated for the TANF rate of hits based on the most recent IRS intercept report. The sharing ratios were updated to reflect the FMAP which was used to share the collections amount rather than using prior year actuals.

## Federal Debt Collection Act

### REASON FOR YEAR-TO-YEAR CHANGE:

FY 1997-98 reflects actual collections for the four months of temporary participation of all counties plus the projected collections of Los Angeles County implementing March 1, 1998. FY 1998-99 reflects a full year for all 58 counties.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	-\$57	-\$12,991
Federal	-29	-6,687
State	-26	-5,826
County	-2	-478
Reimbursements	0	0

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## New Employee Registry Expansion

### DESCRIPTION:

This premise reflects the estimated child support collections as a result of employers reporting to the Employment Development Department (EDD) all new hires.

Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, mandated that all states must implement a new employee registry reporting system. This requires all employers, including government and labor unions, to report new hires to a central location within 20 days of hiring. Pursuant to Assembly Bill 67 (Chapter 606, Statutes of 1997) employers would report to EDD within 20 days, the hiring, rehiring, or return to work of any employee 18 years of age or older to whom the employer pays wages of \$300 or more each month.

### IMPLEMENTATION DATE:

This premise will implement on July 1, 1998.

### KEY DATA/ASSUMPTIONS:

- Based on the Fiscal Year (FY) 1996-97 Child Support Management Information System annual report, 1,082,288 are noncustodial parents (NCP) in locate status.
- The 3.5 percent match rate is an average based on New Employee Registry (NER) statistics provided by EDD.
- The 81.5 percent correct NCP match rate is based on the State Utilities Match study of locate responses belonging to the correct NCP.
- The 65 percent wage assignment rate is based on the percentage of correct matched NCPs that will be successfully served with a wage assignment. This rate is based on NER statistics provided by EDD.
- Based on the June 1996 Child Support Enforcement Program Characteristic Survey, Table 12 - Support Orders-Non Custodial Parents, 45.1 percent of the total cases have support orders, and 59.3 percent are Temporary Assistance for Needy Families (TANF) Program cases.
- The average monthly TANF support collected of \$235 is based on the June 1996 Child Support Enforcement Program Characteristic Survey, Table 15 - Total Amount of CS Collected in Month.
- Based on the OCSE 34, Quarterly Report of Collections, the FY 1996-97 TANF distribution ratio is 98.11 percent, and the payments-to-families ratio is 6.85 percent.

### METHODOLOGY:

To calculate FY 1998-99 grant savings, the estimated number of NCPs in locate status (1,082,288) was multiplied by the match rate of 3.5 percent to determine the number of NCPs located (37,880). This number was multiplied by the correct NCP rate of 81.5 percent to determine the number of correct matches (30,872). This number was multiplied by the wage assignment rate of 65 percent to determine the number of NCPs successfully served with a wage assignment (20,067). This number was then multiplied by the percentage of existing support orders (45.1 percent) to determine the number of correct matches with a child support order (9,050). This number was multiplied by 59.3 percent to determine the

## New Employee Registry Expansion

number of TANF cases with orders (5,367). The result was then divided by 12 to get the average number of new TANF cases with orders per month. This figure was then multiplied by 78 to calculate the accumulative number of casemonths (34,884) of payments. The total number of casemonths were then multiplied by the average monthly TANF child support collections of \$235. This projected amount (\$8,198,000) was adjusted by applying the current distribution ratio of 98.11 percent and subtracting payments to families at 6.85 percent. The net collections of these adjustments are \$7,492,000.

### FUNDING:

The TANF/FC collections are shared based on the Federal Medical Assistance Percentage (FMAP):

<b>TANF:</b>	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	47.29%	46.33%	46.03%
County	2.48%	2.44%	2.42%
<b>FC:</b>	July 1997 – Sept. 1997	Oct. 1997-Sept. 1998	Oct. 1998-June 1999
Federal	50.23%	51.23%	51.55%
State	19.91%	19.51%	19.38%
County	29.86%	29.26%	29.07%

### CHANGE FROM PRIOR SUBVENTION:

This premise was updated for the number of NCPs in locate status. A wage assignment rate was added to the methodology. The sharing ratios were updated to reflect the FMAP which were used to share the collections amount rather than using prior year actuals.

### REASON FOR YEAR-TO-YEAR CHANGE:

FY 1998-99 is the first year estimate.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$0	-\$7,492
Federal	0	-3,856
State	0	-3,360
County	0	-276
Reimbursements	0	0



## Child Support Collections Audit

### DESCRIPTION:

In August 1995, the Department of Health and Human Services' Office of the Inspector General (DHHS-OIG) issued an audit report titled "Audit of the California Department of Social Services Federal Tax Refund Offset Program" (CIN-A-09-93-00083). The audit findings were forwarded to the Administration for Children and Families (ACF) for resolution. One of the audit findings (audit recommendation code 035-000-01-1) disallowed interest earned from undistributed child support collections deposited from the Internal Revenue Service's intercept collections during the period from May 1, 1986 through December 31, 1993.

### IMPLEMENTATION DATE:

This premise implements in June of 1998.

### METHODOLOGY:

The estimated audit amount owed is based on the DHHS-OIG methodology of calculating the federal share of earned interest for the period from May 1, 1986, through December 31, 1993.

### FUNDING:

Costs are 100 percent General Fund.

### CHANGE FROM PRIOR SUBVENTION:

Settlement discussions have been extended resulting in payment to be delayed from December 1997 to June 1998.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no cost in Fiscal Year 1998-99.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$1,400	\$0
Federal	0	0
State	1,400	0
County	0	0
Reimbursements	0	0

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## Child Support Incentives

### DESCRIPTION:

As a means of increasing collections, the federal and state governments pay an incentive to the counties for child support collections. Beginning January 1, 1992, the Performance Standards Project, required by AB 1033 (Chapter 1647, Statutes of 1990) replaced the way incentives were paid based on county performance.

Effective Fiscal Year (FY) 1997-98, AB 67 (Chapter 606, Statutes of 1997) provides payment to counties at a flat rate. The flat rate of 13.6 percent for FY 1997-98 was determined based on counties' distributed collections and county compliance status of FY 1996-97. All counties shall receive the same percentage of collections pursuant to Welfare and Institutions Code section 15200.1 regardless of their compliance status. This flat rate will be applied to each county's FY 1997-98 actual distributed collections to determine the amount of the incentive payments.

Effective FY 1998-99, SB 936 (Chapter 926, Statutes of 1997) also provides payment to counties at a flat rate using the same formula. However, the new provisions require counties participating in the state child support incentive program to provide specific child support information, including performance-based data, as established by the federal incentive funding system.

### IMPLEMENTATION DATE:

The current incentive system was implemented January 1, 1992, and extends through June 30, 1997. AB 67, applicable for the current incentive period, was implemented July 1, 1997, and extends through June 30, 1998. SB 936 applies for the following state fiscal year, beginning July 1, 1998.

### KEY DATA/ASSUMPTIONS:

- The Federal Government pays incentives of 6.0 percent for distributed Temporary Assistance for Needy Families (TANF) Program and non-TANF.
- Non-TANF federal incentives are capped at 115 percent of federal cost for incentives paid on TANF collections.
- The flat rate of 13.6 percent is based on the counties' distributed collections and county compliance status as of FY 1996-97.

### METHODOLOGY:

Incentives are paid on distributed collections, which are those actually received by families or agencies providing TANF or foster care. The incentives for TANF and non-TANF collections are based on the total estimated collections including disregard and collections made for other states. The federal share of projected county incentive is determined by applying 6.0 percent to the total TANF and non-TANF estimated collections. The state share of projected county incentive is determined by applying 7.6 percent to the TANF and non-TANF estimated collections. The federal share of non-TANF incentives is then compared to the federal cap of 115 percent of the federal share of TANF incentives to determine if it exceeds the cap. The federal share of non-TANF incentives that exceeds the cap is shifted to a state cost.

## Child Support Incentives

For FY 1997-98, total TANF collections including disregard and collections made for other states are \$628,424,000. Total TANF incentives are \$85,466,000 shared \$37,706,000 federal and \$47,760,000 state. The total non-TANF collections are \$889,950,000. Total non-TANF incentives are \$121,033,000 and are shared \$43,361,000 federal and \$77,672,000 state. The state share includes \$10,036,000 that exceeded the federal cap. In addition, FY 1997-98 non-TANF child support incentives reflect \$124,000 in reimbursements anticipated from counties that have elected to pay back state funds loaned to them to cover their shares of SACSS maintenance and operation costs.

For FY 1998-99, total TANF collections including disregard and collections made for other states are \$761,187,000. Total TANF incentives are \$103,521,000 shared \$45,671,000 federal and \$57,850,000 state. The total non-TANF collections are \$1,025,706,000. Total incentives are \$139,496,000 and would be shared \$52,522,000 federal and \$86,974,000 state. The state share includes \$9,020,000 that exceeded the federal cap.

### FUNDING:

The federal share is the sum of estimated incentive cost of distributed TANF and non-TANF collections at 6.0 percent. The state share is the sum of estimated incentive cost of distributed TANF and non-TANF collections at 7.6 percent. The county share is scheduled as revenue (indicated by a negative sign), being the sum of the federal and state shares of cost. The net effect, therefore, is zero. In addition, FY 1997-98 non-TANF child support incentives reflect \$124,000 in reimbursements anticipated from counties that have elected to pay back state funds loaned to them to cover their shares of SACSS maintenance and operation costs.

### CHANGE FROM PRIOR SUBVENTION:

The estimates for both TANF and non-TANF incentives have been revised to reflect the updated projection of collections and going to the flat rate structure.

### REASON FOR YEAR-TO-YEAR CHANGE:

The FY 1998-99 increase is due to the projected increase in the TANF and non-TANF collections.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$124	\$0
Federal	81,067	98,193
State	125,432	144,824
County	-206,499	-243,017
Reimbursements	124	0

## **SACSS Loss of Federal Financial Participation**

### **DESCRIPTION:**

This premise provides General Fund (GF) to replace the loss of federal financial participation (FFP) as a result of the termination of the SACSS project on November 20, 1997.

As a result of the termination, the State of California did not meet the deadline for establishing a statewide automated child support enforcement system. This resulted in suspension of FFP, effective November 10, 1997, by the federal Department of Health and Human Services for all child support enforcement automation and electronic data processing activities pending approval of an alternative plan to SACSS.

Welfare and Institutions Code section 15200.95 (c) allows the State of California to increase GF in the child support incentives in the event that the federal government does not provide the funding for FFP in administrative costs of the Child Support Program. In no event shall the increase exceed four percent in any fiscal year.

### **IMPLEMENTATION DATE:**

This premise became effective on November 20, 1997.

### **ASSUMPTIONS:**

With respect to Fiscal Year (FY) 1997-98:

- Federal funds are reduced by \$5,017,000 in child support incentives, which reflect four percent of the total state share (\$125,432,000) of the child support assistance (\$47,760,000) and the non-assistance (\$77,672,000) incentives.
- Federal funds are reduced by \$1,119,000 in the Child Support Administration Legacy Systems' Upgrades/Year 2000 Compliance Premise.
- Federal funds are reduced by \$24,725,000 in child support automation.

### **FUNDING:**

All costs are 100 percent GF with a corresponding reduction to the federal shares of the designated child support incentives, administration and automation premises.

### **CHANGE FROM PRIOR SUBVENTION:**

This is a new premise.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

This is a one-time cost in FY 1997-98 with the assumption that the child support automation plan will be approved in the budget year.

## SACSS Loss of Federal Financial Participation

### EXPENDITURES:

(in 000's)

<b>Item 101- Child Support Collections</b>	<b>1997-98</b>	<b>1998-99</b>
	<b>Grant</b>	<b>Grant</b>
Total	\$0	\$0
Federal	-5,017	0
State	5,017	0
County	0	0
Reimbursements	0	0

<b>Item 141- Child Support Administration</b>	<b>1997-98</b>	<b>1998-99</b>
	<b>County Admin.</b>	<b>County Admin.</b>
Total	\$0	\$0
Federal	-1,119	0
State	1,119	0
County	0	0
Reimbursements	0	0

<b>Item 141 – Child Support Automation</b>	<b>1997-98</b>	<b>1998-99</b>
	<b>County Admin.</b>	<b>County Admin.</b>
Total	\$0	\$0
Federal	-24,725	0
State	24,725	0
County	0	0
Reimbursements	0	0

## **Adoption Assistance Program - Basic Costs**

### **DESCRIPTION:**

The Adoption Assistance Program (AAP) provides financial support to families adopting a child with special needs. Children eligible for AAP benefits have one of the following characteristics: mental, physical, medical or emotional handicap; ethnic background, race, color, or language; over three years of age; member of a sibling group to be adopted by one family; or adverse parental background (e.g., drug addiction, mental illness).

Age based grant levels conform to Foster Care Program foster family home rates, with eligibility reassessed every two years. Payments may continue until the child attains the age of 18 unless a mental or physical handicap warrants the continuation of assistance until the child reaches the age of 21.

### **KEY DATA/ASSUMPTIONS:**

- AAP total casemonths are consistent with the trend caseload projection. The caseload presumed to be eligible for the federal program accounts for 83 percent of the total AAP payment cases, based on data from the last five months, August to December 1997, as captured on the county caseload and expenditure claims (AD 800).
- Caseload and expenditure data extracted from the AD 800 claims from January to December 1997 provides the basis for the monthly projected average grants, which utilizes the slope of the three-month moving averages growth trend, and is projected separately for federal and nonfederal cases.
- The amount of FFP is based on the Federal Medical Assistance Percentage (FMAP), which increased from 50.23 to 51.23 percent on October 1, 1997, and increases to 51.55 percent effective October 1, 1998.

### **METHODOLOGY:**

Adoption assistance basic costs are the product of projected federal and nonfederal casemonths and the respective average grant, as identified above.

### **FUNDING:**

Federal funding is provided by Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of federal financial participation (FFP) based on the FMAP rate. Federal case costs ineligible for FFP are shared 75 percent state and 25 percent county. Funding for the nonfederal share of federal program costs is defined in statute at 75 percent state and 25 percent county.

Nonfederal program costs are funded 75 percent state and 25 percent county.

### **CHANGE FROM PRIOR SUBVENTION:**

This estimate reflects updated casemonths, average grants, and the percentage of cases eligible for FFP.

## Adoption Assistance Program - Basic Costs

### REASON FOR YEAR-TO-YEAR CHANGE:

The Fiscal Year 1998-99 estimate reflects adjustments for caseload growth, the FMAP rate increase, and assumes continuation of the increase in AAP payment levels, consistent with the three-month moving averages growth trend.

### CASELOAD:

	1997-98	1998-99
Average Monthly Caseload	25,290	27,620

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$148,503	\$163,883
Federal	58,463	66,233
State	67,534	73,237
County	22,506	24,413
Reimbursements	0	0



## Refugee Cash Assistance – Basic Costs

### DESCRIPTION:

The Refugee Cash Assistance (RCA) program provides cash grants to refugees who have been in the United States for their first eight months and who are not otherwise eligible for the normal categorical welfare programs.

### KEY DATA/ASSUMPTIONS:

- RCA Adult costs for 1997-98 will be double the six-month actual costs.
- Unaccompanied minors (UM) costs will be double the six-month actual costs.

### METHODOLOGY:

The actual RCA adult average monthly costs through December 1997 were doubled to estimate the costs for Fiscal Year (FY) 1997-98. The total RCA adult costs for FY 1997-98 is \$4,867,065.

The actual UM costs through December 1997 were doubled to estimate the costs for FY 1997-98. The total UM costs for FY 1997-98 is \$10,451.

The total FY 1997-98 cost of \$4,877,516 is the sum of the RCA adult and the UM. The estimated total cost for FY 1998-99 is the same as FY 1997-98.

### FUNDING:

The program is 100 percent federally funded with the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

### CHANGE FROM PRIOR SUBVENTION:

This estimate was updated to reflect recent data.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$4,878	\$4,878
Federal	4,878	4,878
State	0	0
County	0	0
Reimbursements	0	0

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## California Food Assistance Program

### DESCRIPTION:

The California Food Assistance Program (CFAP) provides for a state only food stamp program for legal noncitizens who are under the age of 18 or are over 64 years of age. These legal noncitizens must have been legally in the United States prior to August 22, 1996, and must meet all federal food stamp eligibility criteria except for the immigration status. Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, provides that legal noncitizens are ineligible for federal food stamp benefits unless exempt. The California State Legislature approved AB 1576 (Chapter 287, 1997 Statutes) which allows the CFAP. California will purchase food stamp coupons from Food and Nutrition Service (FNS) to provide to recipients of the CFAP.

### IMPLEMENTATION DATE:

This premise was implemented on September 1, 1997.

### KEY DATA/ASSUMPTIONS:

- The total number of CFAP recipients was developed using the actual number of recipients reported from counties and expanded to a statewide number for the months of September 1997 through February 1998. Approximately 48 counties have reported for those months, representing 84 percent of the caseload. The estimated statewide numbers of CFAP recipients are 56,048 in Fiscal Year (FY) 1997-98 and 53,459 in FY 1998-99.
- Based on Quality Control (QC) data, the percent of recipients who are 17 years of age is .45 percent. Assuming 17-year-olds would age off the program each month, .45 percent is the attrition rate that was used each month beginning in March 1998.
- Due to new Supplemental Security Income/State Supplementary Payment (SSI/SSP) Program eligibility requirements, some noncitizens will be terminated from SSI/SSP in September 1998. As a result the assumption is that 2,232 will be eligible for CFAP. Effective October 1998, 2,232 new recipients were added to CFAP.
- The monthly administrative costs for a nonassistance (NA) case in FY 1997-98 are \$30.74 and \$31.46 in FY 1998-99. The costs for a public assistance (PA) case are \$6.01 in FY 1997-98 and \$6.14 in FY 1998-99. The costs are "open" case costs for NA and PA. The "open" costs are a combined cost of both intake and continuing case costs. The PA costs have been adjusted by the FY 1997-98 PA to NA fund shift (.2995) and further adjusted for the state share of a combined case (citizen and noncitizen households). The state share of the combined cost is 39.14 percent. The state share was based on the actual data reported by the counties for the months of September 1997 through February 1998.
- Based on the actual data reported from the counties the average coupon value per person is \$74.67.
- The coupon processing fee charged by FNS is \$2,800 per \$1 million in coupons.
- The eligibility worker (EW) cost per hour is \$56.46.
- The ratio of NA recipients to PA recipients is .2763 NA and .7237 PA. The ratios were developed from the May 1998 trend persons.

## California Food Assistance Program

- Based on the actual number of persons per case reported for the period January through December 1997, the number of persons in an NA case is 2.07, and the number of persons in a PA case is 3.01.
- Based on data from QC for the period May 1996 through April 1997, the ratio of recipients under 18 is .9482, and the ratio of recipients over 64 is .0518.
- Based on a Food Stamp Program (FSP) September 1997 survey of 14 counties, 22.06 percent of the cases would need to be re-enrolled and issued retroactive benefits. Assuming November 1997 would be the first month with a “normal” caseload, the November 1997 data provided from the counties were used to determine the number of cases. The number of cases in November 1997 was 21,788.
- Based on the FSP September 1997 survey, the amount of time necessary to re-enroll a case is 20 minutes per case.
- Based on the FSP September 1997 survey, the amount of time necessary to provide retroactive benefits is 20 minutes per case.
- Naturalization was not assumed to occur in the budget year due to the backlog at the Immigration and Naturalization Service.

## **METHODOLOGY:**

- The actual number of recipients reported by the counties and expanded statewide was used for September 1997 through February 1998. The monthly number of recipients beginning in March 1998 was developed by applying the attrition rate to the existing number of recipients in February 1998 and continuing to apply the attrition rate to the new number of recipients each month. For October 1998 the recipients who lost SSI eligibility were added to the October 1998 number of recipients.
- The NA and PA ratios were applied to the monthly number of recipients to determine the monthly number of NA and PA recipients.
- The monthly number of NA and PA recipients were converted into cases by dividing the number of recipients by the average number of recipients in NA and PA cases.
- The NA and PA cases were multiplied by the monthly “open” case costs for NA and PA cases respectively.
- The administrative costs were totaled.
- The ratios of recipients under 18 and over 64 were applied to the total administrative costs to determine the administrative costs for each group.
- The monthly total number of recipients was multiplied by the average coupon value per person to determine the coupon costs.
- The coupon processing costs were determined by multiplying the charges per million dollars in coupons by the coupon value.
- The ratios of recipients under 18 and over 64 were applied to the total coupon costs to determine the coupon costs for each group.

## **California Food Assistance Program**

- The number of cases to be re-enrolled and issued retroactive benefits was determined by multiplying the November 1997 number of cases by the percent of cases that needed to be re-enrolled and issued retroactive benefits.

- The number of cases to be re-enrolled was divided by three to determine the number of EW hours needed to complete the re-enrollment. The number of hours was multiplied by the EW cost per hour to determine the cost of re-enrollment.
- The number of cases to receive retroactive benefits was divided by three to determine the number of EW hours needed issue retroactive benefits. The number of hours was multiplied by the EW cost per hour to determine the cost of issuing retroactive benefits.
- The ratios for recipients under 18 and over 64 years of age were applied to the administrative costs for re-enrollment and issuing retroactive benefits to determine the cost for each group.

## **FUNDING:**

These expenditures are General Fund only. The children's portion of the costs is eligible to be counted towards the maintenance of effort requirement.

## **CHANGES FROM PRIOR SUBVENTION:**

The number of recipients has been updated based on actual data reported by the counties. There is no naturalization rate built into this estimate. Additional recipients are added due to loss of SSI benefits. The "open" case costs were used rather than intake and continuing costs.

## **REASON FOR YEAR-TO-YEAR CHANGES:**

FY 1997-98 is a 10-month program; FY 1998-99 is a full-year program. The caseload changes are due to attrition. The administrative costs for re-enrollment and retroactive benefits were one-time costs in the current year.

## **CASELOAD:**

	1997-98	1998-99
Average Monthly Caseload	20,957*	19,905

## California Food Assistance Program

### EXPENDITURES:

(in 000's)

	1997-98*			1998-99		
	Grant	County	Admin.	Grant	County	Admin.
Total	\$41,968		\$4,600	\$48,035		\$3,553
Federal	0		0	0		0
State	41,968		4,600	48,035		3,553
County	0		0	0		0
Reimbursement	0		0	0		0

\* Reflects a 10-month program.

## SSI/SSP – Basic Costs

### DESCRIPTION:

The Supplemental Security Income/State Supplementary Payment (SSI/SSP) Program is a cash assistance program for low-income aged, blind and disabled persons. The SSI Program, authorized by Title XVI of the Social Security Act, replaced the prior federal/state matching grant program of adult assistance to the aged, blind and disabled in January 1974. California opted to supplement the SSI payments, creating the SSP Program. The Social Security Administration (SSA) administers the SSI/SSP Program at California's option.

The maximum amount of aid is dependent on the following factors:

- Whether one is aged, blind, or disabled;
- The living arrangement;
- Marital status; and
- Minor status.

As a result of the various factors determining the maximum amount of aid, there are 19 different payment standards in the SSI/SSP Program.

### KEY DATA/ASSUMPTIONS:

- The basic costs per case for SSI and SSP were developed from actual state and federal expenditures reported on the State Data Exchange and the SSA 8700 reports. The SSI and SSP basic grants were based on the January 1998 average grants and are as follows:

	SSI	SSP
Aged	\$246.69	\$159.48
Blind	298.64	202.62
Disabled	329.93	159.42

### METHODOLOGY:

The SSI/SSP basic costs are computed for each aged, blind and disabled component, then summed to produce total basic costs. Both the SSI and SSP basic average grants were adjusted to exclude the effects of Title XIX payments. The adjusted average grants were multiplied by the relevant caseloads to arrive at a Title XIX adjusted basic cost. Estimated Title XIX expenditures were then added to total basic costs. This item represents the cost of the SSI/SSP Program without premises.

The savings from the December 1995 4.9 percent or federal minimum grant reductions are included in the caseload trend and average grants and, therefore, basic costs. Due to the sunset of the grant reductions on October 31, 1997, grant reduction savings will be realized for only four months in basic costs.

### FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent State General Fund. Costs for each component are computed separately.

## SSI/SSP – Basic Costs

### CHANGE FROM PRIOR SUBVENTION:

Average grants and caseloads were updated based on more recent actuals.

### REASON FOR YEAR-TO-YEAR CHANGE:

Expenditures increase due to increase in caseload.

### CASELOAD:

	1997-98	1998-99
Average Monthly Persons	1,015,434	1,026,644

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$5,590,978	\$5,713,284
Federal	3,649,150	3,737,108
State	1,941,828	1,976,176
County	0	0
Reimbursements	0	0



## SSI/SSP - January 1999 COLA

### DESCRIPTION:

This premise reflects the impact of cost-of-living adjustments (COLAs) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) Program recipients effective January 1, 1999. The total payment an individual receives increases on January 1, 1999, by the California Necessities Index (CNI) increase of 2.84 percent. SSI grants are adjusted annually by the Consumer Price Index (CPI), which is estimated at 1.8 percent for 1999. Effective January 1, 1999, unearned income, generally Title II Social Security benefits, is also increased by the CPI.

### IMPLEMENTATION DATE:

This premise will implement on January 1, 1999.

### KEY DATA/ASSUMPTIONS:

The COLA on the total payment standard is 2.84 percent. The federal COLA is estimated at 1.8 percent.

### METHODOLOGY:

The SSI and SSP average grants increase as a result of the payment standard being increased by the COLAs. Average SSI and SSP grants are estimated before and after the COLAs using the February 1998 State Data Exchange (SDX) file. The CNI COLA is applied to the total 1998 payment standard and then rounded to the nearest dollar for the new total payment standard. The SSI COLA is applied to the SSI standard and the result is the new SSI standard. The new SSI standard is subtracted from the new total payment standard the result is the new SSP standard. The average grant increase is the difference between the old standard and the new standard as a result of the COLAs and is computed separately for the aged, blind and disabled components.

### FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent State General Fund. Each component is costed separately.

### CHANGE FROM PRIOR SUBVENTION:

Average grants and caseloads were updated based on more recent actuals. The SSP COLA was assumed suspended in the prior subvention.

### REASON FOR YEAR-TO-YEAR CHANGE:

The COLAs are effective January 1, 1999, and have a six-month effect in budget year only.

## SSI/SSP - January 1999 COLA

### EXPENDITURES

:	1997-98	1998-99
(in 000's):	Grant	Grant
Total	\$0	\$94,535
Federal	0	34,753
State	0	59,782
County	0	0
Reimbursements	0	0

## SSI/SSP – SSP Administration

### DESCRIPTION:

The Social Security Administration (SSA) formerly administered the Supplemental Security Income/State Supplementary Payment (SSI/SSP) Program benefit payments without charge to the states. The Omnibus Budget Reconciliation Act of 1993 shifted costs for administration of SSP to the State, effective October 1, 1993. It also provided for additional service fees to be charged if SSA provides services beyond the expected level, such as payment standard reductions or increases made on other than the normal January 1 schedule.

### IMPLEMENTATION DATE:

This premise implemented on October 1, 1993.

### KEY DATA/ASSUMPTIONS:

- The State was charged \$5.00 per payment through September 30, 1997. Pursuant to Public Law 105-33, the fee will increase to \$6.20 per payment effective October 1, 1997, and \$7.60 per payment effective October 1, 1998.
- The State will also be charged for each retroactive check issued on January 1, 1998, to reflect the SSP rate increases effective November 1, 1997, due to the sunset of the December 1995 grant reductions. Approximately 201,030 recipients will be affected.

### METHODOLOGY:

The projected number of payments is based on the projected caseload plus the six-month moving average of the difference between the actual caseload and the number of payments. The projected number of payments is then multiplied by the respective cost per payment.

### FUNDING:

The administration costs consist of 100 percent General Fund.

### CHANGE FROM PRIOR SUBVENTION:

This premise was updated based on more recent actual data. The federal Balanced Budget Act of 1997 (Public Law 105-33) amends existing federal statutes pertaining to the administration fees for SSP payments. For each federal fiscal year from 1998-2002, administration fees will increase as follows:

1998	\$6.20
1999	\$7.60
2000	\$7.80
2001	\$8.10
2002	\$8.50

## SSI/SSP – SSP Administration

### REASON FOR YEAR-TO-YEAR CHANGE:

On October 1, 1998, the fee will increase from \$6.20 to \$7.60 for each check written by the SSA.

### CASELOAD:

	1997-98	1998-99
Average Monthly Caseload	1,053,295	1,050,839

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$74,781	\$91,445
Federal	0	0
State	74,781	91,445
County	0	0
Reimbursements	0	0

## October 1997 Statewide 4.9 Percent Payment Standard Reduction

### DESCRIPTION:

Pursuant to AB 908 (Chapter 307, Statutes of 1995), the June 1995 Supplemental Security Income/State Supplementary Payment (SSI/SSP) Program payment standards will be reduced by 4.9 percent. The reduction will take effect upon maintenance of effort (MOE) relief, assumed at July 1, 1997. Categories exempted from the reduction are nonmedical out-of-home care, restaurant meals allowance, and personal and incidental needs of persons residing in Title XIX medical facilities. Cases with countable income at or below the new standards will continue to be eligible, but will experience a grant reduction. Cases with countable income above the new standards will be ineligible for an SSI/SSP grant. This premise reflects the State General Fund (GF) savings associated with the grant reductions.

### IMPLEMENTATION DATE:

This premise implemented on October 1, 1997.

### KEY DATA/ASSUMPTIONS:

- The payment standard reduction is effective through October 31, 1997.

### FUNDING:

Current year appropriations reflect one month's GF savings assuming legislation authorizing relief from current MOE requirements was passed to permit California to go below the SSP federal minimum.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$ 0	\$ 0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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## **SSI/SSP – Elimination of SSI/SSP for Noncitizens**

### **DESCRIPTION:**

The federal Balanced Budget Act of 1997 (Public Law (P.L.) 105-33) extends Supplemental Security Income/State Supplementary Payment (SSI/SSP) benefits through September 30, 1998, to nonqualified alien recipients who would have lost eligibility under federal welfare reform legislation P.L. 104-193. Effective October 1, 1998, all nonqualified aliens will be ineligible to receive SSI/SSP benefits.

### **IMPLEMENTATION DATE:**

This premise will implement on October 1, 1998.

### **KEY DATA/ASSUMPTIONS:**

- The estimated number of nonqualified aliens to lose eligibility is 3,563 persons.
- Nonqualified aliens include aliens with lawful temporary residence, granted a stay of deportation, voluntary departure, or aliens on whose behalf an immediate relative petition has been approved.
- The estimate assumes that nonqualified aliens would not naturalize due to their temporary residency status. Permanent residency status is required in order to apply for citizenship.
- The average monthly grant payment to nonqualified aliens is \$348.42 for the SSI Program and \$161.27 for the SSP Program.
- The SSI average grant will increase by 1.8 percent to \$354.69, beginning in January 1999 due to the federal cost-of-living adjustment.

### **METHODOLOGY:**

The number of nonqualified aliens to lose eligibility was based on data extracted from the February 1998 State Data Exchange file. All nonqualified aliens are assumed to lose eligibility effective October 1, 1998. Savings are the product of the ineligible cases and the appropriate average grants for the year. State General Fund (GF) savings include administrative costs of \$7.60 per casemonth.

### **FUNDING:**

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent GF.

### **CHANGE FROM PRIOR SUBVENTION:**

The estimated number of noncitizens has been updated to reflect recent information from the SSA. The average grants have been updated to reflect more recent actuals.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

Per the federal Balanced Budget Act of 1997 (P.L. 105-33), all nonqualified aliens will be ineligible to receive SSI/SSP benefits effective October 1, 1998, which will affect budget year only.

## SSI/SSP – Elimination of SSI/SSP for Noncitizens

### CASELOAD:

	1997-98	1998-99
Average Monthly Caseload	0	-2,672

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$ 0	-\$16,722
Federal	0	-11,307
State	0	-5,415
County	0	0
Reimbursements	0	0



## **SSI/SSP – Restriction of Eligibility for Disabled Children**

### **DESCRIPTION:**

Federal welfare reform legislation, Public Law 104-193, enacted August 22, 1996, eliminated the individualized functional assessment (IFA) as a basis for eligibility. Provisions also eliminated maladaptive behavior as an eligible criterion under personal/behavior functioning. The tightened disability definitions applied to applicants as of August 22, 1996. Current recipients not qualifying under the new definition were affected on the later of October 1, 1997, or the date of redetermination. Redeterminations were completed by January 31, 1998. In February 1998, the Social Security Administration (SSA) gave those recipients who had been denied aid through the redetermination process another chance to appeal and request benefit continuation.

### **IMPLEMENTATION DATE:**

This premise implemented on August 22, 1996, for new applicants.

This premise implemented on October 1, 1997, for existing caseload.

The deadline for completing redeterminations for this premise was February 22, 1998.

### **KEY DATA/ASSUMPTIONS:**

- Redeterminations were completed by February 22, 1998. 5,360 recipients were denied benefits. Savings for those cases are now reflected in the basic costs.
- The SSA has issued a letter to 2,141 recipients who did not appeal, or who appealed but did not ask for benefit continuation allowing them a second chance to appeal and/or request benefit continuation.
- It is assumed that 50 percent of those renoticed will request an appeal and benefit continuation. Those requesting benefit continuation will receive retroactive payments back to October 1, 1997.
- As of January 1998 average monthly grants for children are \$444.03 for the Supplemental Security Income (SSI) Program and \$63.21 for the State Supplementary Payment (SSP) Program.
- SSI average grants will increase by 1.8 percent to \$452.02, beginning in January 1999.

### **METHODOLOGY:**

The number of disabled children who will request benefit continuation during their appeal process multiplied by the average grant equals the cost of this premise. Additional administrative costs are calculated by casemonths multiplied by the administrative fee. There is a one-time administrative fee for the benefit backpay to October of 1997.

### **FUNDING:**

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent State General Fund.

## SSI/SSP – Restriction of Eligibility for Disabled Children

### CHANGE FROM PRIOR SUBVENTION:

The prior subvention assumed a savings from those recipients who would no longer be eligible for aid due to the new restrictions. The savings associated with the redeterminations are included in basic costs. The premise now shows a cost to the program from those recipients who were given a second chance to appeal and request benefit continuation.

### REASON FOR YEAR-TO-YEAR CHANGE:

The cost for Fiscal Year 1998-99 increase due to a full-year of costs. Current year reflects costs for nine months and Budget year reflects full-year costs.

### CASELOAD:

	1997-98	1998-99
Average Monthly Caseload	803	1,071

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$4,918	\$6,664
Federal	4,282	5,758
State	636	906
County	0	0
Reimbursements	0	0

## Personal Care Services Program/Residual IHSS Basic Costs

### DESCRIPTION:

In-home supportive services (IHSS) enable eligible persons to remain in their own homes as an alternative to out-of-home care. Eligible persons are aged, blind or disabled recipients of public assistance and similar persons with low incomes. AB 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Services to submit a Medicaid state plan amendment to the federal Health Care Financing Administration to include a portion of the IHSS Program as a covered service. Services include: domestic services such as meal preparation, laundry, shopping and errands; nonmedical personal care services; assistance while traveling to medical appointments or to other sources of supportive services; protective supervision; teaching and demonstration directed at reducing the need for supportive services; and certain paramedical services ordered by a physician.

The existing IHSS Program is split between Personal Care Services Program (PCSP) and Residual IHSS. All recipients eligible under the IHSS Program are eligible for PCSP except for the following: domestic services only cases, protective supervision tasks, spousal providers, parent providers of minor children, income eligibles, advance pay recipients, and recipients covered by third party insurance. These recipients receive services under the Residual IHSS Program.

### IMPLEMENTATION DATE:

PCSP was implemented April 1, 1993.

### KEY DATA/ASSUMPTIONS:

- All of the information regarding wages, taxes, hours per case, cost per hour, PCSP and Residual caseload and funding ratios, share of cost (SOC), restaurant meal allowance (RMA), and percentage of individual providers (IPs) is compiled from the IHSS Case Management Information and Payrolling System (CMIPS) monthly reports.
- The estimate assumes PCSP comprises 65.51 percent of the IHSS caseload and expenditures.
- In the IP mode the average hours per case for 1997-98 and 1998-99 were estimated using the average monthly paid hours per case utilizing CMIPS data from January 1996 through December 1997.
- The county contract/welfare staff (CC/WS) average hours per case for 1997-98 are based on the actual monthly paid hours per case from July 1997 through January 1998. This represents a weighted average calculated by adding the actual hours for both modes and dividing by the combined caseload. The 1998-99 average hours per case were maintained at the 1997-98 level.
- The PCSP IP wage rate is set at the \$5.15 per hour wage rate. The Residual IHSS IP wage rate is set at the \$5.15 per hour wage rate and is adjusted to reflect the effect of SOC. This results in an average net rate of \$4.71. The minimum wage increases are discussed in another premise description.

## Personal Care Services Program/Residual IHSS Basic Costs

- The average CC/WS costs per hour for 1997-98 were compiled using the actual combined CC/WS average monthly cost per hour utilizing CMIPS data from July 1997 through January 1998. For 1998-99, the average monthly costs per hour were maintained at the 1998-99 level.
- The current PCSP ratio of taxes to gross IP wages is 9.69 percent. The PCSP tax percentage is based on CMIPS wage and tax information from July 1997 through February 1998. The residual ratio of taxes to gross IP wages, including SOC wages, is 7.79 percent. The tax percentages are based on the average wages to taxes ratio from the CMIPS wage and tax information from March 1997 through June 1997.
- The RMA cost per case is \$62.00.
- The RMA estimated costs are increased by the projected IHSS caseload.
- The State Compensation Insurance Fund (SCIF), under contract, administers the workers' compensation (WC) insurance for the IPs providing services for IHSS recipients.
- The Department of General Services (DGS), under contract, acts as agent for the Department in the management and supervision of SCIF. DGS also monitors high cost cases (\$50,000 and over in paid costs) on a quarterly basis.

### METHODOLOGY:

#### IP Basic

The 1997-98 IP basic cost estimate is derived by adding the actual wage and tax expenditures for July 1997, through February 1998, to the estimated wages and tax expenditures for March through June 1998. The estimated expenditures for March through June 1998 are developed by multiplying the average hours per case by the projected caseload for March through June 1998 by the average cost per hour. The resulting total is then increased by the tax percentage.

The 1998-99 IP basic cost estimate is derived by multiplying the average hours per case by the projected 1998-99 caseload by the average cost per hour. The resulting total is then increased by the tax percentage.

The cost of the SCIF and DGS contracts is added to the wages cost.

#### Combined County Contract/Welfare Staff Basic

The 1997-98 CC/WS basic cost estimate is derived by adding the actual expenditures for July 1997, through February 1998, to the estimated expenditures for March through June 1998. The estimated expenditures for March through June 1998 are developed by multiplying the average hours per case by the projected caseload for March through June 1998 by the average cost per hour.

The 1998-99 CC/WS basic cost estimate is developed by multiplying the average hours per case by the projected 1998-99 caseload by the average cost per hour.

The basic costs for these two modes are split between the PCSP and Residual Programs, based on the PCSP/Residual caseload split. The RMA cost (which is not PCSP eligible) is added to the Residual Program cost.

## Personal Care Services Program/Residual IHSS Basic Costs

PCSP Basic	1997-98	1998-99
IP BASIC		
Average Hours	76.46	76.64
CY Projected Casemonths March/June 98	531,078	1,620,555
CY Projected 98-99 IP Casemonths		
Cost per Hour	\$ 5.15	\$ 5.15
Net Wages *	\$ 209,122,193	\$ 639,626,700
Taxes *	\$ 20,263,940	\$ 61,979,827
Estimated IP Wages *	\$ 229,386,133	\$ 701,606,527
Actual Wages Through February	\$ 402,698,823	
Actual Taxes Through February	\$ 39,009,435	
Total Actual/Projected Expenditures	\$ 671,094,391	
WC Insurance		
SCIF	\$ 13,231,000	\$ 13,231,000
DGS	\$ 78,600	\$ 78,600
WC Insurance Total	\$ 13,309,600	\$ 13,309,600
IP BASIC TOTAL	\$ 684,403,991	\$ 714,916,127
CC/WS BASIC		
Average Hours	41.91	41.91
Projected Casemonths March/June 98	14,849	45,312
Cost per Hour	\$ 11.97	\$ 11.97
CC/WS BASIC TOTAL *	\$ 7,449,305	\$ 22,731,129
Actual Expenditures through February 98	\$ 14,513,524	
Total Actual/Projected Expenditures *	\$ 21,962,829	
PCSP BASIC TOTALS *	\$ 706,366,821	\$ 737,647,256
* (May not add up due to rounding)		

## Personal Care Services Program/Residual IHSS Basic Costs

<b>Residual</b>	1997-98	1998-99
<b>IP BASIC</b>		
Average Hours	74.50	76.08
CY Projected Casemonths March/June 98	270,924	826,710
BY Projected 98-99 IP Caseload		
Cost per Hour (adjusted for SOC)	\$ 4.71	\$ 4.71
Net Wages	\$ 95,066,006	\$ 296,240,709
Taxes (based on \$5.00 per hour)	\$ 8,097,464	\$ 25,232,979
Estimated IP Wages *	\$ 103,163,470	\$ 321,473,688
Actual Wages Through February	\$ 197,391,976	
Actual Taxes Through February	\$ 12,642,356	
Total Actual/Projected Expenditures	\$ 313,197,802	
WC Insurance		
SCIF	\$ 6,969,000	\$ 6,969,000
DGS	\$ 41,400	\$ 41,400
WC Insurance Total	\$ 7,010,400	\$ 7,010,400
RMA Amount	\$ 806,831	\$ 831,457
IP BASIC TOTAL	\$ 321,015,033	\$ 329,315,545
 CC/WS BASIC		
Average Hours	21.70	21.70
Projected Casemonths March/June 98	16,498	50,189
Cost per Hour	\$ 10.82	\$ 10.82
CC/WS BASIC TOTAL *	\$ 3,873,642	\$ 11,784,165
Actual Expenditures through February 98	\$ 7,620,196	
Total Actual/Projected Expenditures *	\$ 11,493,838	
 Protective Supervision	\$ 6,801,468	\$ 21,077,749
 Residual IHSS BASIC TOTALS *	\$ 339,310,340	\$ 362,177,460
* (May not add up due to rounding)		

## Personal Care Services Program/Residual IHSS Basic Costs

### FUNDING:

IHSS services costs are funded with 65.51 percent of the expenditures under PCSP and 34.49 percent under Residual Program IHSS.

In PCSP the federal financial participation amount is calculated at 50.23 percent for the first quarter of Fiscal Year 1997-98. Effective October 1, 1997, the federal sharing ratio is changed to 51.23 percent to reflect the increase in the Federal Medical Assistance Percentage (FMAP) rate. Effective October 1, 1998, the federal sharing ratio is changed to 51.55 percent to reflect an increase in the FMAP rate. The nonfederal share is split 65 percent state and 35 percent county. The county share of cost is reflected as a reimbursement, consistent with actual cash flow.

In the Residual IHSS Program the state share is 65 percent of the total, and the county share is 35 percent.

### CHANGE FROM PRIOR SUBVENTION:

The estimate has been updated to reflect current data.

### REASON FOR YEAR-TO-YEAR CHANGE:

The year-to-year change is due to increased caseload, increases in hours per case, costs per hour, changes in contract amounts, FMAP changes, and changes in the number of PCSP eligible expenditures.

### CASELOAD:

	1997-98	1998-99
Average Monthly PCSP Caseload	134,277	138,822
Average Monthly Residual Caseload	70,694	73,088

## Personal Care Services Program/Residual IHSS Basic Costs

### EXPENDITURES:

(in 000's)

PCSP	1997-98	1998-99
	Grant	Grant
Total	\$706,116	\$737,647
Federal	0	0
State	224,990	232,687
County	0	0
Reimbursements	481,126	504,960
<u>Residual IHSS</u>	1997-98	1998-99
	Grant	Grant
Total	\$339,311	\$362,177
Federal	0	0
State	220,552	235,415
County	0	0
Reimbursements	118,759	126,762



## San Francisco Pass-Through

### DESCRIPTION:

AB 1786 (Chapter 68, Statutes of 1996) approved by the Governor on June 21, 1996, authorized the City and County of San Francisco (San Francisco), to increase the wages of all in-home supportive services (IHSS) individual providers (IPs) in Fiscal Year (FY) 1996-97. AB 1380 (Chapter 37, Statutes of 1997) extended the increase only through FY 1997-98.

### IMPLEMENTATION DATE:

This premise implemented on July 1, 1996.

### KEY DATA/ASSUMPTIONS:

- San Francisco will use county-only and Title XIX Personal Care Services Program (PCSP) funds to increase workers' wages and pay for any proportionate share of employer taxes and current benefits.
- The hourly augmentation amount includes the cost of employer taxes.
- The augmented hourly amount was \$0.40 through July 31, 1997, \$0.60 an hour from August through February 1998, and \$0.73 for the remainder of FY 1997-98.

### METHODOLOGY:

The net hourly augmented amount was multiplied by the estimated number of provider hours to be worked during the period covered by the minimum wage. This process was repeated for each minimum wage increase.

The total cost of the FY 1997-98 wage augmentation was arrived at by adding together the totals for the base augmentation and the three wage increases.

Legislation does not authorize this premise in FY 1998-99.

### FUNDING:

The San Francisco pass-through costs are funded using the same criteria as IHSS services costs, with 65.51 percent of the expenditures under PCSP and 34.49 percent under Residual Program IHSS.

In PCSP the federal financial participation amount is calculated at 50.23 percent for the first quarter of FY 1997-98. Effective October 1, 1997, the federal sharing ratio is changed to 51.23 percent to reflect the increase in the Federal Medical Assistance Percentage rate. The nonfederal share is 100 percent county.

In the Residual IHSS Program, the county share is 100 percent.

## San Francisco Pass-Through

### CHANGE FROM PRIOR SUBVENTION:

The estimate has been updated to include the additional increase of \$0.73 in March of 1998.

### REASON FOR YEAR-TO-YEAR CHANGE:

San Francisco increased the amount of its wage augmentation.

### EXPENDITURES:

(in 000's)

PCSP	1997-98	1998-99
	Grant	Grant
Total	\$2,392	\$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	2,392	0

IHSS Residual	1997-98	1998-99
	Grant	Grant
Total	\$1,292	\$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	1,292	0

## Effect of Minimum Wage Increases on In-Home Supportive Services

### DESCRIPTION:

California voters approved a statewide proposition on November 5, 1996, which increased the minimum wage to \$5.75 on March 1, 1998.

### IMPLEMENTATION DATE:

The California minimum wage increased to \$5.75 on March 1, 1998.

### KEY DATA/ASSUMPTIONS:

- The minimum wage increases are divided between the Personal Care Services Program (PCSP) and the Residual In-Home Supportive Services (IHSS) Program using the PCSP (65.51) and Residual IHSS (34.49) caseload percentages.
- The average hours per case for 1997-98 and 1998-99 were estimated using the average monthly paid hours per case utilizing IHSS Case Management Information and Payrolling System (CMIPS) data from January 1996 through December 1997.
- The March 1998 state \$0.60 wage increase affects the last four months in Fiscal Year 1997-98.
- The current PCSP ratio of taxes to gross Individual Provider (IP) wages is 9.69 percent. The PCSP tax percentage is based on CMIPS wage and tax information from July 1997 through February 1998. The residual ratio of taxes to gross IP wages, including share-of-cost wages, is 7.79 percent. The tax percentages are based on the average wages to taxes ratio from the CMIPS wage and tax information from March 1997 through June 1997.

### METHODOLOGY

#### 1997-98

The amount of the state wage increase was developed by multiplying the average hours per case by the March through June 1998 projected caseload, and by the wage increase amount. The resulting total was then increased by the tax percentage.

#### 1998-99

The amount of the state wage increase for both PCSP and the IHSS Residual program was developed by multiplying the average hours per case by the monthly caseload, by 12 months, and by the wage increase amount. The resulting total was then increased by the tax percentage.

## Effect of Minimum Wage Increases on In-Home Supportive Services

### FUNDING:

- Effective October 1, 1997, the Federal Medical Assistance Percentage (FMAP) rate is 51.23 percent with the nonfederal share split 65 percent state and 35 percent county.
- Effective October 1, 1998, the FMAP rate is 51.55 percent with the nonfederal share split 65 percent, state and 35 percent county.
- The state share of the Residual IHSS Program is 65 percent, and the county share is 35 percent.
- The county share of cost is reflected as a reimbursement, consistent with actual cash flow.

### CHANGE FROM PRIOR SUBVENTION:

The September 1, 1997, federal minimum wage increase was shifted to the PCSP/IHSS Residual basic premise, and the minimum wage premise was updated to reflect current data.

### REASON FOR YEAR-TO-YEAR CHANGE:

The change was due to increased caseload and hours per case.

### CASELOAD:

(average monthly caseloads)	1997-98	1998-99
PCSP IP	134,277	138,822
Residual IHSS IP	70,694	73,088

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
<u>PCSP</u>		
Total	\$26,725	\$81,728
Federal	0	0
State	8,472	25,781
County	0	0
Reimbursements	18,253	55,947
<u>Residual IHSS</u>	Grant	Grant
Total	\$13,054	\$40,677
Federal	0	0
State	8,485	26,440
County	0	0
Reimbursements	4,569	14,237

## Case Management Information and Payrolling System (CMIPS) and Associated Costs

### DESCRIPTION:

The existing CMIPS provides basic information gathering, storage functions and reports. The CMIPS is comprised of three components: Case Management, Management Information and Payroll Processing.

#### Case Management

CMIPS contains the case record of each individual recipient. The case record of each recipient contains information as to each individual's eligibility, needs assessment, share of cost, if appropriate, and all changes affecting the recipient's case. Notices of action, cost-of-living-adjustments, and rate changes are generated by CMIPS, using data contained within CMIPS. CMIPS allows data exchanges with other welfare systems and is used to establish Medi-Cal eligibility.

#### Management Information

The system provides management reports that include fiscal and statistical data on a case-by-case, worker-by-worker, office-by-office, county-by-county, and statewide basis. These statistical data are also sorted out by In-Home Supportive Services (IHSS) Residual Program and Personal Care Services Program (PCSP).

#### Payrolling System

This system provides for the authorization and issuance of warrants for semimonthly compensation for services provided by the individual provider mode. The payrolling system also prepares all employer tax forms and reports. Additionally, this component is utilized for bookkeeping, accounting and tax preparation purposes for the recipients, county welfare departments and California Department of Social Services (CDSS).

The State Controller's Office (SCO), under contract to CDSS, issues payroll checks to the individual providers on behalf of IHSS recipients. The SCO also issues replacement checks and handles checks returned as undeliverable.

The State Treasurer's Office (STO) under contract to CDSS, performs bank reconciliation of IHSS warrants, and redeems all valid warrants issued for the IHSS.

### KEY DATA/ASSUMPTIONS:

- The CMIPS contract is currently held by Electronic Data Systems (EDS).
- Contract amounts are assumed to increase by the IHSS caseload percentage increase.
- Contracts listed below show negotiated amounts between contractors and CDSS.

	1997-98	1998-99
EDS	\$7,240,627	\$7,120,000
Year 2000 Costs	200,000	1,175,000
STO	191,342	197,656
SCO	2,142,000	2,212,686
Total Costs	\$9,773,969	\$10,705,342

## Case Management Information and Payrolling System (CMIPS) and Associated Costs

### METHODOLOGY:

The amounts were totaled and then shared between PCSP and IHSS Residual pro rata based on caseload.

### FUNDING:

CMIPS and associated costs are funded using the same criteria as IHSS services costs, with 65.51 percent of the expenditures under PCSP and 34.49 percent under Residual Program IHSS.

In PCSP the federal financial participation amount is calculated at 50.23 percent for the first quarter of Fiscal Year 1997-98. Effective October 1, 1997, the federal sharing ratio is changed to 51.23 percent to reflect the increase in the Federal Medical Assistance Percentage (FMAP) rate. Effective October 1, 1998, the federal sharing ratio is changed to 51.55 percent to reflect an increase in the FMAP rate. The nonfederal share is split 65 percent state and 35 percent county.

In the Residual IHSS Program the state share is 65 percent of the total, and the county share is 35 percent.

### CHANGE FROM PRIOR SUBVENTION:

The estimate was updated based on changes in contract costs and to include the costs associated with Year 2000 changes. In 1997-98, \$200,000 was shifted from the EDS contract to Year 2000 changes.

### REASON FOR YEAR-TO-YEAR CHANGES:

There were changes in contract costs, and Year 2000 costs were added to the premise.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$9,774	\$10,705
Federal	0	0
State	\$4,232	\$4,612
County	0	0
Reimbursements	\$5,542	\$6,093

## Title XX Funding

### DESCRIPTION:

Federal monies for social services have been given to states as a block grant for social services (Title XX) since October 1981. Title XX is a federal block grant that does not require a state/county match. In order to qualify for these funds, a state must prepare and announce an expenditure plan prior to the start of the fiscal year (FY) which is consistent with the five federal services goals under Title XX. The five Title XX goals are:

1. Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;
2. Achieving or maintaining self-sufficiency, including reduction or prevention of dependency;
3. Preventing or remedying neglect, abuse or exploitation of children or adults unable to protect their own interests, or preserving, rehabilitating or reuniting families;
4. Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and
5. Securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions.

Through FY 1992-93, Title XX was used exclusively for In-Home Supportive Services (IHSS) costs. With the Title XIX Personal Care Services Program implemented in IHSS in 1993, Title XX funds are used in the IHSS Residual Program, with a portion of the Title XX funds shifted to other eligible programs. The use of Title XX funds for costs that otherwise would be State General Funds (GF) saves significant state dollars.

Currently, Title XX funding is used to meet Title XX goals in the following programs: IHSS (goals 3 and 4), Child Welfare Services (CWS) (goals 3 and 4) (transfer of \$111.0 million to the Department of Developmental Services (DDS)), Deaf Access (goals 1 and 2), and Community Care Licensing (CCL) (goals 3 and 4).

### KEY DATA/ASSUMPTIONS:

- State legislation permits Title XX funds to be used in Residual Program IHSS services to supplant the state share without affecting county funds.
- In CWS, \$111.0 million in Title XX funds has been shifted to DDS.
- For Deaf Access, Title XX funds will reduce an otherwise 100 percent GF program.
- For CCL, Title XX will be used for non-Title IV-E claimable costs.
- CCL and Deaf Access Title XX funding and the funds transferred from CWS to DDS will remain at the FY 1996-97 levels in FYs 1997-98 and 1998-99.
- For FY 1997-98, \$14.4 million in additional Title XX funds was awarded to California for local assistance. The additional funding was allocated to the IHSS Residual Program, with a corresponding GF reduction.
- For FY 1998-99, \$12.8 million in additional Title XX funds was awarded to California for local assistance. The additional funding was allocated to the IHSS Residual Program, with a corresponding GF reduction.

## Title XX Funding

### METHODOLOGY:

For FY 1997-98, the IHSS Program is funded at \$134.5 million. For FY 1998-99, the IHSS Program is funded at \$100.2 million.

### FUNDING:

Title XX is a federal block grant that does not require a state or county match.

### CHANGE FROM PRIOR SUBVENTION:

The estimate has been updated to reflect current data.

### REASON FOR YEAR-TO-YEAR CHANGE:

The year-to-year change is due to partial restoration of Title XX award lost in 1997 due to federal budget reconciliation process.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
<b>IHSS</b>	\$0	\$0
Federal	134,486	100,325
State	-134,486	-100,325
<b>CWS</b>	\$111,000	\$111,000
Federal	111,000	111,000
State	0	0
<b>DEAF ACCESS</b>	\$0	\$0
Federal	3,200	3,200
State	-3,200	-3,200
<b>CCL</b>	\$0	\$0
Federal	2,019	2,019
State	-2,019	-2,019
<b>TOTAL TITLE XX</b>	\$250,705	\$216,454



## **Title XIX Reimbursement - In-Home Supportive Services/CSBG/Child Welfare Services**

### **DESCRIPTION:**

Certain In-Home Supportive Services (IHSS) Program assessment and eligibility activities and certain County Services Block Grant (CSBG) activities are eligible for Title XIX federal funding. Additionally, certain health-related (HR) activities in the Child Welfare Services (CWS) Program are eligible for these funds.

The California Department of Social Services has coordinated with the Department of Health Services to establish the necessary claiming processes to identify the applicable federal financial participation.

### **KEY DATA/ASSUMPTIONS:**

#### IHSS

- In the IHSS Personal Care Services Program (PCSP) activities are eligible for Title XIX funding at the Federal Medical Assistance Percentage.
- In IHSS administration both PCSP and HR activities are eligible for Title XIX funding.
- The Title XIX administration expenditure data used to develop this estimate are from actual expenditure information as reported on the county administrative expense claims for 1997-98.
- The 1997-98 percentage of Title XIX eligible funds in IHSS administration is 46.75 percent, with the balance shared 70 percent state and 30 percent county. The 1998-99 percentage of Title XIX eligible funds in IHSS administration is 46.99 percent, with the balance shared 70 percent state and 30 percent county.
- The percentage of actual PCSP hours versus HR hours for IHSS administration in 1996-97 was used to determine their respective portions of Title XIX costs for 1997-98. The percentage of actual PCSP hours versus HR hours for IHSS administration in 1997-98 was used to determine their respective portions of Title XIX costs for 1998-99.
- The May 1997 Subvention IHSS administration expenditure level was maintained for Fiscal Year (FY) 1997-98.

#### CWS

- The Title XIX funding in CWS is all HR.

#### CSBG

- The Title XIX funding in CSBG is all HR.

### **METHODOLOGY:**

#### IHSS

Title XIX funding for IHSS administration was estimated by applying the percentage of actual Title XIX expenditures in 1996-97 to 1997-98. The 1998-99 Title XIX funding for IHSS administration was estimated by applying the percentage of actual Title XIX expenditures in 1997-98.

## Title XIX Reimbursement - In-Home Supportive Services/CSBG/Child Welfare Services

### METHODOLOGY (CONTINUED):

#### CWS

For 1997-98, the amount of \$25.2 million is based on the appropriation level. For 1998-99, the estimate of \$27.6 million was calculated using individual county usage rates developed from 1996-97 actual expenditures.

#### CSBG

The federal share of Title XIX eligible expenditures in 1997-98 is based on actual expenditures from the 1997-98 county administrative expense claims. It was assumed this level of expenditures would occur in 1998-99. The state and county shares were held at the 1997-98 appropriation level.

### CHANGE FROM PRIOR SUBVENTION:

The estimate has been updated to reflect current data.

### REASON FOR YEAR-TO-YEAR CHANGE:

The year-to-year change was due to an increase in Title XIX eligible expenditures.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
<b><u>Title XIX Total</u></b>	\$503,346	\$558,289
 <b>PCSP Total</b>	 \$442,583	 \$493,460
IHSS Services	376,918	425,341
IHSS Administration	65,665	68,119
 <b><u>Health-Related Total</u></b>	 \$60,763	 \$64,829
IHSS Administration	20,776	22,461
CWS	25,189	27,570
CSBG	14,798	14,798

## **IHSS Administration - Basic Costs**

### **DESCRIPTION:**

The In-Home Supportive Services Program provides in-home services to the aged, blind and disabled to maintain the person in an independent living arrangement and to avoid institutionalization. This item reflects the administrative costs of county welfare departments.

### **IMPLEMENTATION DATE:**

The Title XIX eligible Personal Care Services Program was implemented in April of 1993.

### **KEY DATA/ASSUMPTIONS:**

- The social worker unit cost for 1997-98 was maintained at the November 1997 level. The 1998-99 social worker unit cost is estimated at \$55.16 per hour.
- The hours per case are estimated at 11.5 hours for both 1997-98 and 1998-99.
- The supported individual provider (SIP) component for 1997-98 was maintained at the November 1997 level. The SIP component amounted to \$10.5 million for 1998-99.
- Caseload growth is estimated at 3.3 percent for both 1997-98 and 1998-99.

### **METHODOLOGY:**

For 1997-98, the administration estimate was maintained at the 1997-98 level. The 1998-99 administration estimate was developed by multiplying the caseload times social worker unit costs times hours per case. The SIP estimate was then added to the administration estimate.

The SIP estimate was increased by caseload growth.

### **FUNDING:**

The ratio of Title XIX funds to total IHSS administration funds is maintained at the same proportion as in the 1996-97 actual expenditures. State and county sharing ratios are 70/30, respectively.

### **CHANGE FROM PRIOR SUBVENTION:**

This estimate was updated to reflect recent actuals.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

The year-to-year change is due to increased caseload and social worker unit cost.

## IHSS Administration - Basic Costs

### CASELOAD:

	1997-98	1998-99
Average Monthly Caseload	204,971	211,910

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$140,469	\$144,962
Federal	0	0
State	52,363	53,790
County	22,441	23,053
Reimbursements	65,665	68,119

## In-Home Supportive Services (IHSS) Program Court Cases

### DESCRIPTION:

There are currently four pending court cases involving the IHSS Program, which have incurred legal fees. There are other pending court cases not covered in the premise for which the amount of potential attorney fees is not known at this time.

### KEY DATA/ASSUMPTIONS:

- Tyler v. Anderson involves the denial of range of motion services to an IHSS recipient.
- Arp v. Anderson involves the denial of IHSS services to a regional center client.
- Gordilla v. Anderson involves the denial of IHSS services to a regional center client.
- Stone v. Anderson involves the denial of IHSS services to a regional center client.

### METHODOLOGY:

The costs for the court cases are split between the Personal Care Services Program (PCSP) and Residual Program, based on the PCSP/Residual Program caseload split.

### FUNDING:

IHSS administration costs are funded with the nonfederal portion of expenditures split 70 percent state and 30 percent county.

### CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

### REASON FOR YEAR-TO-YEAR CHANGE:

The budget year reflects estimated timing for payment of expenditures.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$25	\$85
Federal	0	0
State	18	60
County	7	25
Reimbursements	0	0

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## **Aid to Families with Dependent Children (AFDC)/ Foster Care Linkage**

### **DESCRIPTION:**

The implementation of welfare reform in California will change the current Foster Care (FC) Program eligibility requirements. Receipt of Temporary Assistance to Needy Families (TANF)/California Work Opportunities for Kids (CalWORKs) benefits in the month of removal will no longer automatically satisfy eligibility requirements, as federal criteria mandates linkage to the former AFDC Program, as it existed in June 1995.

Consequently, the eligibility determination process becomes more complex, increasing county administrative costs. This would provide for the increased administrative costs associated with the implementation of welfare reform.

### **IMPLEMENTATION DATE:**

This premise implemented on January 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- Current FC cases will be reviewed for FC eligibility according to the old AFDC rules at the semi-annual redetermination. There are currently 84,402 open FC cash grant cases for which FC eligibility will need to be reviewed.
- FC applications for Fiscal Year (FY) 1997-98 are projected at 53,778, which includes new FC entrants and those for which FC eligibility will not be established.
- There is assumed to be no change in the number of cases currently eligible for federal FC funding as a result of this review process.
- Reexamining existing cases and performing ongoing eligibility determinations will require an extra one-half hour of eligibility worker (EW) time per case.
- The fully-loaded EW cost per hour for FY 1997-98 is \$56.75, and \$58.07 for FY 1998-99.
- The FC discount rate of 79 percent is based upon the total number of children eligible for federal financial participation.

### **METHODOLOGY:**

Administrative costs are the product of the projected caseload and the EW cost per hour.

### **FUNDING:**

Federal funding is provided by Title IV-E of the Social Security Act for those cases meeting eligibility criteria, based on the FC discount rate. Administrative sharing ratios are 50 percent federal, 35 percent state and 15 percent county. Nonfederal sharing ratios are 70 percent state and 30 percent county.

## **Aid to Families with Dependent Children (AFDC)/ Foster Care Linkage**

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

The estimate reflects a reduced number of cases to be reviewed during FY 1998-99.

### **EXPENDITURES:**

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$2,395	\$1,561
Federal	946	617
State	1,014	661
County	435	283
Reimbursements	0	0



## County Administration Child Support - Basic Costs

### DESCRIPTION:

Child support administration costs are comprised of family support operation (FSO) county staff and overhead.

As a branch of the district attorney's office, FSO staffs carry out the Child Support Enforcement Program under Title IV-D of the Social Security Act. Their administrative duties include case intake and development, collection and distribution of child support, court preparation to establish paternity and support obligations, and the enforcement of support obligations, including locating absent parents.

### METHODOLOGY:

OCSE 131 federal reports were used to estimate the basic expenditures. Expenditure growth was measured by comparing the last four quarters (September 1996 through June 1997) of revised actual expenditures, compared to the previous four quarters (September 1995 through June 1996) of actual expenditures. The resulting growth rate was 21.65 percent. The growth rate was then applied to Fiscal Year (FY) 1996-97 revised actual expenditures to derive the FY 1997-98 cost. FY 1998-99 cost is based on the growth rate and the cost-of-doing-business rate, 2.32 percent, applied to the projected FY 1997-98 cost.

### FUNDING:

Local assistance Child Support Program administration costs are shared between Title IV-D federal funds (66 percent) and county funds (34 percent).

### CHANGE FROM PRIOR SUBVENTION:

Revised actuals based on the most recent federal quarterly expenditure reports were used. The cost-of-doing-business rate was not used to project FY 1997-98 cost because it is accounted for in the growth rate.

### REASON FOR YEAR-TO-YEAR CHANGE:

The FY 1998-99 increase is the growth and cost-of-doing-business rate.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$473,645	\$589,557
Federal	312,606	389,108
State	0	0
County	161,039	200,449
Reimbursements	0	0

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## County Training Facilities for SACSS

### DESCRIPTION:

This premise would provide personal computers, training equipment, and rooms in the medium and large counties to facilitate training of county staff on Statewide Automated Child Support System (SACSS) changes as a result of implementation of new laws or regulations.

The SACSS is a federal and state system mandated by the Family Support Act of 1988 to meet the need for a single, statewide comprehensive integrated child support enforcement system. To ensure statewide application, 42 medium and large counties are required to train staff on SACSS changes due to the implementation of new laws or regulations.

### IMPLEMENTATION DATE:

As a result of the termination of the SACSS project, the county training facilities will not be implemented.

### METHODOLOGY:

No funds are estimated for Fiscal Years (FYs) 1997-98 and 1998-99 due to the termination of the SACSS project.

### FUNDING:

No funds are estimated for FYs 1997-98 and 1998-99 due to the termination of the SACSS project.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

No funds are estimated for FYs 1997-98 and 1998-99 due to the termination of the SACSS project.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$0	\$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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## Improved Los Angeles County Performance

### DESCRIPTION:

This premise reflects the outstanding balance of the administrative costs associated with completing the development of the Los Angeles Automated Replacement System (ARS) to interface with the Statewide Automated Child Support System (SACSS).

SB 2718 (Chapter 1313, Statutes of 1990) required the State to fund the nonfederal share of automation costs from the General Fund (GF) to the extent that Los Angeles County exceeded Aid to Families with Dependent Children Program collection targets as set forth in the Los Angeles County Three Year Plan. SB 1523 (Chapter 823, Statutes of 1994) supersedes SB 2718 and requires the State to loan Los Angeles County the amount of the nonfederal ARS costs.

### IMPLEMENTATION DATE:

This premise was implemented on July 1, 1989.

### METHODOLOGY:

Los Angeles County provided the administrative costs as approved by the Federal Government in the Advance Planning Document Update (APDU) dated September 30, 1994. Authorization to expend enhanced funds to complete and implement ARS expired on September 30, 1995. Provisions of Public Law 104-193 continue the enhanced funding through September 30, 1997.

### FUNDING:

This cost is enhanced funding shared 90 percent federal and 10 percent GF for holdbacks. This cost was anticipated to occur prior to September 30, 1997, but payment to the vendor has been held back pursuant to the agreement in the APDU until the completion of the SACSS interface. The funds have been moved to Fiscal Year (FY) 1998-99 as a result of the termination of SACSS.

### CHANGE FROM PRIOR SUBVENTION:

The funds have been moved to FY 1998-99 as a result of the termination of SACSS.

### REASON FOR YEAR-TO-YEAR CHANGE:

The funds have been moved to FY 1998-99 as a result of the termination of SACSS.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$0	\$760
Federal	0	684
State	0	76
County	0	0
Reimbursements	0	0

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## Performance Standards Project

### DESCRIPTION:

This premise funds the nonfederal share of county administrative costs associated with counties conducting self-reviews of their performance.

The federal Family Support Act of 1988 (Public Law 100-485) requires states to meet specific child support enforcement program performance standards. Further, AB 1033 (Chapter 1647, Statutes of 1990) implemented the Performance Standards Project which requires the State to pay the nonfederal share of county administrative costs to conduct self-reviews of their performances and to implement corrective actions, updates, and training as appropriate. As a result of a survey, 37 counties elected to conduct their own reviews.

### IMPLEMENTATION DATE:

This premise was implemented on January 1, 1992.

### METHODOLOGY:

County administrative costs are based on the 37 counties' approved Fiscal Year (FY) 1993-94 county plans that include the costs of 66.5 county monitoring positions totaling \$3,723,400 for yearly salary, benefits and overhead. This funding level is no longer sufficient to cover the counties' operational costs. Therefore, the cost-of-doing-business rates from FYs 1993-94 through 1997-98 were applied. The cost-of-doing-business rates were:

FY 1993-94	2.4%
FY 1994-95	1.1%
FY 1995-96	1.1%
FY 1996-97	1.1%
FY 1997-98	2.3%
FY 1998-99	2.3%

The projected funding levels for the 37 counties will be \$4,030,000 for FY 1997-98 and \$4,123,000 for FY 1998-99.

### FUNDING:

Although Child Support Program administration costs are normally shared at 66 percent federal Title IV-D funds and 34 percent county funds, the State will pay the nonfederal share as legislatively mandated.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The FY 1998-99 increase is due to the application of the cost-of-doing-business rate increase.

## Performance Standards Project

## EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$4,030	\$4,123
Federal	2,660	2,721
State	1,370	1,402
County	0	0
Reimbursements	0	0



## **Title IV-D Kids Program**

### **DESCRIPTION:**

Title IV-D Kids Program is an affordable alternative for noncustodial parents to obtain dependent health coverage through group health providers. This premise is a result of a current budget change proposal (BCP).

AB 568 (Chapter 718, Statutes of 1992) requires the California Department of Social Services (CDSS) to pay an incentive to the counties' Title IV-D programs for obtaining third-party health coverage or insurance of beneficiaries. As a result, a \$50 incentive is paid when health insurance coverage is obtained by the district attorney and the California Department of Health Services (CDHS) has been notified. Health insurance includes medical, dental and vision coverage. Costs recovered through the health insurance coverage for Temporary Assistance For Needy Families (TANF)/Medi-Cal recipients are used to offset the costs of Medi-Cal benefits. Health insurance coverage for non-TANF cases results in cost avoidance of Medi-Cal expenditures. CDHS separately estimates budget savings related to this premise. This premise only covers CDSS' cost of the \$50 incentive payments to counties for alternative dependent health insurance coverage.

### **IMPLEMENTATION DATE:**

This premise will implement on July 1, 1998.

### **KEY DATA/ASSUMPTIONS:**

- Based on information furnished by Sacramento County, 511 cases enrolled in the IV-D Kids Program between July 1996 and June 1997
- Based on the Child Support Management Information System 1996-97 annual report, Table 5 – Establishment of Support Order/Total, Sacramento County has 5,247 cases and statewide there are 166,582 cases with Orders Established with Medical Insurance.
- A \$50 incentive payment is paid to the District Attorney's office for alternative dependent health insurance coverage.

### **METHODOLOGY:**

This estimate is based on the experience of Sacramento County's pilot program. There were 511 cases enrolled in the IV-D Kids Program out of 5,247 cases with orders established with medical insurance (from the Child Support Management Information System 1996-97 Report, Table 5). This represents 9.74 percent of cases enrolled in the IV-D Kids Program to the total medical insurance cases. This 9.74 percent was then applied to the statewide total cases, 166,582, with orders established with medical insurance. This results in potentially 5,408 additional enrollments in the IV-D Kids Program statewide. Then, the \$50 incentive payment was applied to the statewide cases.

Although the BCP states an implementation date of July 1, 1998, actual incentive payments and Medi-Cal savings will not occur until March 1999. This program is contingent upon the approval and hiring of a position at the state level to coordinate statewide activities between the counties and HMO's. This premise assumes that the staff, counties and HMO's will be fully operational January 1999. It takes 60 days to get a policy into effect.

## Title IV-D Kids Program

### FUNDING:

Costs are 100 percent General Fund.

### CHANGE FROM PRIOR SUBVENTION:

This premise was updated for the most recent available data on the statewide medical insurance cases and actual data from Sacramento County. The number of months of actual payments was changed.

### REASON FOR YEAR-TO-YEAR CHANGE:

FY 1998-99 is the first year of this estimate.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$0	\$270
Federal	0	0
State	0	270
County	0	0
Reimbursements	0	0

## Health Insurance Incentives

### DESCRIPTION:

This premise reflects the \$50 administrative incentive payment to the counties IV-D programs for obtaining third-party health coverage or insurance of beneficiaries.

AB 568 (Chapter 718, Statutes of 1992) requires the California Department of Social Services (CDSS) to pay an incentive to the counties' Title IV-D programs for obtaining third-party health coverage or insurance of beneficiaries. In addition, AB 2377 (Chapter 147, Statutes of 1994) allows family support offices to pursue health care coverage from health benefit plans that are subject to the Employee Retirement Income Security Act provisions when presented with a qualified medical support order. As a result, a \$50 incentive is paid when health insurance coverage is obtained by the district attorney and the California Department of Health Services (CDHS) has been notified. Health insurance includes medical, dental and vision coverage. Costs recovered through the health insurance coverage for Temporary Assistance For Needy Families (TANF)/Medi-Cal recipients are used to offset the costs of Medi-Cal benefits. Health insurance coverage for non-TANF cases results in cost avoidance of Medi-Cal expenditures. CDHS separately estimates budget savings related to this premise.

### IMPLEMENTATION DATE:

This premise was implemented on October 1, 1993.

### METHODOLOGY:

The estimate is based on the most recent two fiscal years' actual payments provided by CDSS' Financial Services Bureau, Administrative Unit. Expenditure growth was measured by comparing the last year (July 1996 through June 1997) actual payments, to the previous year (July 1995 through June 1996) actual payments. The resulting growth rate was 25 percent. The growth rate was then applied to Fiscal Year (FY) 1996-97 actual payments to derive the FY 1997-98 cost. FY 1998-99 cost is based on the growth rate applied to the projected FY 1997-98 cost.

### FUNDING:

Costs are 100 percent General Fund.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The FY 1998-99 increase is due to the application of the 25 percent growth rate.

## Health Insurance Incentives

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$1,775	\$2,220
Federal	0	0
State	1,775	2,220
County	0	0
Reimbursements	0	0

## SACSS Mass Mailing

### DESCRIPTION:

This premise funds the 11 Statewide Automated Child Support System (SACSS)-operational counties that continue to use the SACSS functionality for mass mailing although the SACSS project has been terminated.

The SACSS is a federal and state system mandated by the Family Support Act of 1988 to meet the need for a single, statewide comprehensive integrated child support enforcement system. SACSS central processing includes: (1) monthly account statements which are billing statements to noncustodial parents for whom an established order and a valid address have been obtained; and (2) the court-mandated Barnes notices of collections and distributions which are statements to custodial parents indicating the amount of child support collected by the county. The California Department of Social Services (CDSS) does not have the ability to centrally print, insert and mail the account statements and Barnes notices. Therefore, CDSS will contract these activities to the Employment Development Department (EDD).

### IMPLEMENTATION DATE:

This premise was implemented on November 1, 1996.

### KEY DATA/ASSUMPTIONS:

HWDC provided estimated costs that include materials, printing, finishing, postage, and labor as follows:

- Account statements are composed of two regular pages and one perforated coupon page. The estimated volume is 334,616 for Fiscal Year (FY) 1997-98 and 334,472 for FY 1998-99 at an unit cost of \$0.46 per statement; and
- The Barnes notices of collections and distributions assume four pages per notice. The volume is estimated at 265,246 for FY 1997-98 and 510,403 for FY 1998-99 at an unit cost of \$0.40 per notice.

### METHODOLOGY:

The estimated cost is determined by multiplying the number of statements/notices by the unit cost for each county.

### FUNDING:

Costs are shared 66 percent federal and 34 percent county. The county cost reflects a reimbursement since CDSS will be contracting with EDD to provide these services. The funds for FY 1998-99, \$358,000 (\$236,000 federal funds and \$122,000 county reimbursement), have been transferred to state operations.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

## SACSS Mass Mailing

### REASON FOR YEAR-TO-YEAR CHANGE:

The funds for FY 1998-99 have been transferred to state operations.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99 <sup>1</sup>
	County Admin.	County Admin.
Total	\$260	\$0
Federal	172	0
State	0	0
County	0	0
Reimbursements	88	0

<sup>1</sup> - Please see the "Funding" section.

## **Legacy Systems' Upgrades/Year 2000 Compliance**

### **DESCRIPTION:**

The Statewide Automated Child Support System (SACSS) project resulted from federal legislation requiring states to implement a statewide automated child support system. California's SACSS was scheduled to be implemented statewide by September 30, 1997. Counties have postponed implementing enhancements to their existing county systems in anticipation of the SACSS. The suspension of the SACSS project in November 1997 has created a necessity for the State to implement interim alternative solutions to meeting state and federal requirements until a solution to meeting the federal statewide requirement has been decided. Counties will be required to either: enhance existing county systems in order to meet current federal requirements, comply with new welfare reform requirements effective October 1, 1998, and to plan for Year 2000 changes; or transfer to another county system which will meet these requirements. Counties must take some action to ensure compliance with child support requirements, welfare reform and Year 2000 to do ongoing child support business.

### **IMPLEMENTATION DATE:**

This premise implemented on April 1, 1998.

### **METHODOLOGY:**

The data for this estimate are from various sources. System enhancements and updated cost estimates came from county input provided in January 1998 and a survey conducted in late April 1998. The data for Computer Assisted Support Enforcement System (CASES) counties are from an estimate provided by San Francisco County. All transition estimates (conversion, data clean-up, training) are from an average of selected counties' average costs. Cost estimate allocations are based on counties' plans as of a California District Attorneys Association survey conducted in early February 1998. Further details regarding the legacy systems enhancements will be contained in a forthcoming advance planning document.

### **FUNDING:**

Costs are shared 66 percent federal. The nonfederal share varies from: 0 percent state funds and 34 percent county funds; 17 percent state funds and 17 percent county funds; or 100 percent state funds and 0 percent county funds, depending on the county system being upgraded.

### **CHANGE FROM PRIOR SUBVENTION:**

The system enhancement costs were updated based on county input. The transition cost from SACSS to CASES is a new cost. Los Angeles County's system enhancement cost was added in FY 1998-99.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

The majority of enhancements will take place in the budget year.

## Legacy Systems' Upgrades / Year 2000 Compliance

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$12,247	\$51,901
Federal	8,083	34,255
State	1,740	8,548
County	2,424	9,098
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$12,247	\$51,901
CDSS	10,552	43,162
HWDC	1,695	8,739



# Food Stamp Employment and Training Program

## DESCRIPTION:

The Employment and Training (E&T) Program, provides job search assistance, work experience and supportive services to eligible Non-Assistance Food Stamp Program recipients. This program was established under the Food Security Act of 1985 (Public Law 99-198). The Food Stamp Act of 1977 provides for unmatched federal E&T funding each year. Section 1002 of the Balanced Budget Act of 1997 provides for additional unmatched federal E&T funding for Federal Fiscal Year (FFY) 1998. To be eligible for the additional unmatched federal funds, the State and counties must meet their maintenance of effort (MOE) spending level to administer the E&T and workfare programs in FY 1996-97. The Balanced Budget Act requires that at least 80 percent of all unmatched federal funds be spent to serve able-bodied adults without dependents (ABAWDs) who are placed in and comply with the E&T and workfare programs. The E&T program has been expanded by adding two additional components to E&T: 1) job search, drug rehabilitation or alcohol rehabilitation may be combined with vocational training or education; and 2) a self-initiated workfare activity. E&T enables recipients to become self-sufficient and reduce their need for food stamps. Some recipients are geographically excluded due to reasons such as sparse population, great distances and lack of available transportation. Individual county plans are developed that specify the job services, training and supportive services available to participants.

## IMPLEMENTATION DATE:

This premise became effective April 1, 1987.

## KEY DATA/ASSUMPTIONS:

- During State Fiscal Year (SFY) 1997-98, 35 counties will participate in the E&T Program.
- SFY 1997-98 costs for this program were based on the local assistance costs identified in the 1996 E&T Program state plan, approved 100 percent federal funds for Federal Fiscal Year (FFY) 1997 and approved 100 percent federal funds for FFY 1998.
- Included within the federal funds was an additional allocation of \$321,646 authorized by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, enacted on August 22, 1996.
- SFY 1998-99 costs for this program were based on the local assistance costs identified in the 1996 E&T Program state plan and approved 100 percent enhanced federal funds for FFY 1998.
- The initial FFY 1998 100 percent federal funds are \$9,925,762 with an additional \$16,070,342 once the State meets its MOE requirement.
- State funds are capped at \$560,000 for program costs, and state participant reimbursement costs are capped at \$787,000 for SFYs 1997-98 and 1998-99.
- It is assumed that the State and counties will meet the MOE requirements.

## Food Stamp Employment and Training Program

### METHODOLOGY:

The federal costs were converted to SFY 1997-98 using the costs identified in the 1996 E&T Program state plan, one quarter FFY 1997 federal funding and three quarters FFY 1998 federal funding.

SFY 1998-99 costs are the costs identified in the 1996 E&T Program state plan and the full FFY 1998 federal funding.

### FUNDING:

For costs in excess of the enhanced funding cap and for participant reimbursement costs, the costs are shared 50 percent federal, 35 percent state and 15 percent county up to the state cap; costs are then funded 50 percent federal and 50 percent county.

FY 1997-98 (in 000's):	Total	Federal	State (cap)	County
Enhanced Funds (100%)	\$21,463	\$21,463	\$0	\$0
Normal Funds	\$15,940	\$7,970	\$560	\$7,410
Participant Reimbursement	\$4,201	\$2,101	\$787	\$1,313
Total	\$41,604	\$31,534	\$1,347	\$8,723
FY 1998-99 (in 000's):	Total	Federal	State (cap)	County
Enhanced Funds (100%)	\$25,996	\$25,996	\$0	\$0
Normal Funds	\$15,940	\$7,970	\$560	\$7,410
Participant Reimbursement	\$4,201	\$2,101	\$787	\$1,313
Total	\$46,137	\$36,067	\$1,347	\$8,723

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The costs are updated based on the approved federal funding.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$41,604	\$46,137
Federal	31,534	36,067
State	1,347	1,347
County	8,723	8,723
Reimbursements	0	0

## Barring Nonqualified Aliens

### DESCRIPTION:

This premise represents the administrative savings that result from denying applications from ineligible aliens and discontinuing ineligible aliens. Public Law (P.L.) 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, provides that legal noncitizens are ineligible for food stamp benefits unless otherwise exempt. Exempt categories are refugees admitted under section 207 of the Immigration and Naturalization Act (INA), asylees admitted under section 208 of the INA, and aliens whose deportation has been withheld under section 243(h) of the INA. These noncitizens may receive food stamp benefits for five years after the date they were admitted to the United States (U.S.) or granted asylum. Other exempt noncitizens, who may receive food stamps for an unlimited period, are veterans and persons on active duty in the U.S. military and their spouses and/or dependent children, and aliens with 40 quarters of qualifying employment. For new applicants, these provisions were effective September 22, 1996. For continuing cases, an amendment to P. L. 104-193 extended food stamp eligibility to legal noncitizens until April 1, 1997, provided they were receiving benefits on August 22, 1996. With approval from Food and Nutrition Service, Food Stamp Program Bureau issued a letter to all counties on March 20, 1997, which permitted counties to continue providing food stamps to legal noncitizens through August 1997.

The State General Fund (GF) savings of this premise reflects only savings from noncitizen cases with adults 18 to 64 years of age. The federal and county shares reflect administrative savings for all noncitizens who are no longer eligible for the federal program.

### IMPLEMENTATION DATE:

This premise implemented on September 22, 1996, for new applicants.

This premise implemented on August 22, 1997, for continuing cases.

### KEY DATA/ASSUMPTIONS:

- It is assumed that 151,720 noncitizens were terminated from the food stamp program due to their ineligible alien status. This number is derived from the actual number of persons who left the food stamp program in August 1997 and adjusted for the normal caseload decline.
- The denied applicant cases were the number of cases reported to the Food Stamp Program Bureau during a survey of counties conducted in July 1997. Nine counties, representing 75.87 percent of the State, reported. Those figures were expanded to 100 percent resulting in 18,574 persons being denied from September 22, 1996, through May 1997.
- There are administrative savings for pure cases only (comprised of all noncitizens). Based on information provided by the Review and Evaluation Bureau (REB) there is one noncitizen person per pure nonassistance case.
- The ratios that were used for nonassistance (NA) and public assistance (PA) persons were developed from the difference in the actual number of persons who were participating in the federal food stamp program in August and September 1997. The NA ratio is .3663; the PA ratio is .6337.

## Barring Nonqualified Aliens

- The ratios of NA pure cases and NA mixed (citizen and noncitizen) cases and the PA pure and mixed cases were developed from information provided by the REB, based on data from May 1996 – April 1997: NA pure, .0582; NA mixed, .9418; PA pure, .0225; and PA mixed, .9775.
- The ratios of cases denied and cases terminated were developed from the persons/cases reported from the counties: cases denied, .1091; cases terminated, .8909.
- The average costs per intake case in Fiscal Years (FYs) 1997-98 and 1998-99 for Non-Assistance Food Stamps (NAFS) are \$63.66 and \$65.14, respectively. For Public Assistance Food Stamps (PAFS), average costs per intake case are \$58.38 (FY 1997-98) and \$59.74 (FY 1998-99) after the PA to NA fund shift.
- The average costs per continuing case in FYs 1997-98 and 1998-99 for NAFS are \$24.24 and \$24.80, respectively; and for PAFS, they are \$12.62 and \$12.91 after the PA to NA fund shift.
- Administrative savings for applicant cases began October 1, 1996.
- Administrative savings for continuing cases began September 1, 1997.

### METHODOLOGY:

- The denied and terminated persons were totaled. The NA and PA persons ratios were applied to the total number of persons who were either denied or terminated. The NA pure and NA mixed ratios were applied to the total NA persons to derive the pure NA persons. The PA pure and the PA mixed ratios were applied to the total PA persons to derive the pure PA persons. The NA and PA pure persons were then totaled. The total pure persons were converted to cases; then the number of denied and terminated cases were determined by applying the denied and terminated ratios to the total cases.
- The NA and PA case ratios were applied to the denied cases and the terminated cases to determine the number of NA denials, PA denials, NA terminations and PA terminations.
- The NA cases that are denied each month were multiplied by the NA intake cost to determine the NA intake savings. The NA continuing cases are multiplied by the NA continuing cost to determine the NA continuing savings. The PA cases that were denied each month were multiplied by the PA intake cost to determine the PA intake savings. The PA continuing cases were multiplied by the PA continuing cost to determine the PA continuing savings. All of the savings were then totaled.
- The terminated NA continuing cases were multiplied by the NA continuing cost to determine the NA savings. The PA continuing cases were multiplied by the PA continuing cost to determine the PA savings. All of the savings were then totaled.
- The GF share of the estimate is offset by 35 percent of the California Food Assistance Program (CFAP) administrative costs because an administrative savings is not realized for the under 18 year olds or over 64 year olds (CFAP) in the Barring Nonqualified Aliens estimate (CFAP provides food stamp benefits to legal noncitizens who are younger than 18 years of age or older than 64). The GF share of the total pure costs from the CFAP was determined by multiplying the total pure CFAP costs by 35 percent (1997-98, \$46,845; 1998-99, \$52,808). That value was subtracted from the GF share of the Barring Nonqualified Aliens premise savings to reflect administrative savings for only those cases between the ages of 18 and 64.

## Barring Nonqualified Aliens

### FUNDING:

The savings were shared 50 percent federal, 35 percent state, and 15 percent county; the CFAP costs were subtracted from the state share of the savings resulting in a sharing ratio of 51.58 percent federal, 32.95 percent state, and 15.47 percent county.

### CHANGE FROM PRIOR SUBVENTION:

This estimate was updated using the actual number of terminations in August 1997 and adjusted for normal caseload (persons) decline. The number of denials remained the same. A naturalization rate was not assumed for those cases that terminated in August 1997 because the expected time to naturalize is much longer than the 18 months assumed in the prior estimate, according to the Immigration and Naturalization Service.

### REASON FOR YEAR-TO-YEAR CHANGE:

Current year reflects terminations for only 10 months.

### CASELOAD:

	1997-98	1998-99
Average Monthly Caseload	-6,191 <sup>1</sup>	-6,059

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	-\$1,620	-\$1,868
Federal	-833	-960
State	-537	-620
County	-250	-288
Reimbursements	0	0

<sup>1</sup> – Current year reflects a 12-month average for denials, and 10-months for terminations.

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## Two-County Electronic Benefits Transfer Project

### DESCRIPTION:

Prior to the passage of federal and state legislation requiring the implementation of a statewide electronic benefits transfer (EBT) project, the California Department of Social Services sponsored an EBT pilot project in San Bernardino and San Diego Counties. The system will provide electronic access to food stamp benefits. EBT uses debit card technology and retailer point-of-sale terminals to automate benefit authorization, delivery, redemption and financial settlement. This eliminates the need for food stamp coupons. EBT also increases the assurance that benefit dollars are used appropriately and provides effective ways to reduce and prevent fraud and abuse. For the recipient, EBT increases security and safety while reducing the stigma associated with receiving public assistance.

In State Fiscal Year 1997-98 project management responsibility was transferred to the Health and Welfare Agency Data Center (HWDC). This premise reflects the costs associated with the two counties implementing EBT.

### IMPLEMENTATION DATE:

San Bernardino County began system design and development in April 1997, started benefit delivery in November 1997 and completed countywide implementations in March 1998.

San Diego County began system design and development in September 1997, started benefit delivery in April 1998 and is scheduled to complete countywide implementation in July 1998.

### KEY DATA/ASSUMPTIONS:

- The Two-County EBT Project will continue concurrently with statewide EBT planning. During the planning phase staff will determine how and when the two counties will convert to the statewide EBT system.

### METHODOLOGY:

Estimates are based on the March 1997 Implementation Advance Planning Document approved by the USDA Food and Nutrition Services and updated cost estimates from the counties.

### FUNDING:

Federal funds include the normal share of Food Stamp Program funds and are shared 50 percent federal, 35 percent state, and 15 percent county.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

Counties moved from system design and development to implementation.

## Two-County Electronic Benefits Transfer Project

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$3,804	\$3,833
Federal	1,902	1,917
State	1,331	1,341
County	571	575
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$3,804	\$3,833
CDSS	3,804	3,833
HWDC	0	0



## California Nutrition Promotion Network

### DESCRIPTION:

The California's Nutrition Promotion Network intent is to design and implement a statewide marketing campaign to promote healthy eating and physical activity among food stamp recipients. The Network is a collaborative effort among the Department of Health Services (DHS), the California Department of Social Services (CDSS), the California Department of Education, the University of California Cooperative Extension, and private agencies. DHS is the lead agency administering the project. CDSS serves as the pass-through agency for the matching federal funds.

### IMPLEMENTATION DATE:

This premise became effective October 1, 1996.

### KEY DATA/ASSUMPTIONS:

- The amounts are based on the budget approved by the Food and Consumer Service for Federal Fiscal Year (FFY) 1998.

### METHODOLOGY:

State Fiscal Year (SFY) 1997-98 reflects one quarter of FFY 1997 funds and three quarters of FFY 1998 funds. SFY 1998-99 reflects FFY 1998 funding.

### FUNDING:

This premise reflects the pass-through of 100 percent federal funds.

### CHANGE FROM PRIOR SUBVENTION:

The FFY 1998 funds changed from the anticipated \$4,977,908 to an approved \$4,975,458.

### REASON FOR YEAR-TO-YEAR CHANGE:

The federal funds decreased from \$6,257,431 in FFY 1997-98 to \$4,975,458 for FFY 1998-99.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$6,257	\$4,975
Federal	6,257	4,975
State	0	0
County	0	0
Reimbursements	0	0

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## Food Stamp Nutrition Education Plan

### DESCRIPTION:

Food stamp applicants and recipients will be provided nutrition education services in 39 counties by local university county extension offices. California's Food Stamp Nutrition Education Plan is a cooperative effort between the California Department of Social Services and the University of California Cooperative Extension (UCCE).

### IMPLEMENTATION DATE:

This premise became effective January 1, 1995.

### KEY DATA/ASSUMPTIONS:

- The costs are based on the budget approved by Food and Consumer Service for Federal Fiscal Years (FFY) 1997 and 1998.
- Funding is assumed to continue into FFY 1999 at the same level as approved for FFY 1998.

### METHODOLOGY:

The following methodology was used to determine the funding for each State Fiscal Year (SFY):

- SFY 1997-98 is based on one-quarter of the approved funding for FFY 1997 (\$395,000) and three-quarters of the approved funding level for FFY 1998 (\$1,186,000); and
- SFY 1998-99 is based on the approved funding level for FFY 1998.

### FUNDING:

This premise reflects the pass-through of 100 percent federal funds to UCCE. The matching share of costs will be provided by UCCE.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$1,581	\$1,581
Federal	1,581	1,581
State	0	0
County	0	0
Reimbursements	0	0

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## **Able-Bodied Adults Without Dependents (ABAWDs)**

### **DESCRIPTION:**

This premise represents the administrative savings resulting from those ABAWDs that do not meet the work registration requirements. Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, requires able-bodied food stamp recipients between the ages of 18 and 50 to work at least 20 hours a week or participate in a state-approved work, training or workfare program in order to continue receiving food stamps. The recipient will be eligible to receive no more than three months of food stamps out of every three years if these work requirements are not met. During this time, the recipient could be eligible for an additional three months if he/she qualifies to re-enter the program and then is laid off. An individual is exempt from this work requirement if he/she is: (1) under 18 or over 50 years of age; (2) medically certified as physically or mentally unfit for employment; (3) a parent or other member of a household with responsibility for a dependent child; (4) responsible for care of an incapacitated person; (5) pregnant; (6) receiving unemployment compensation; (7) participating in a drug or alcohol treatment program; (8) a half-time student who meets certain eligibility requirements; or (9) residing in an area with an unemployment rate of over 10 percent.

### **IMPLEMENTATION DATE:**

This premise became effective November 22, 1996. The date of impact to cases is March 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- As a result of high unemployment or labor surplus, 26 counties had waivers from the ABAWDs requirements through August 31, 1997; 28 counties had waivers through March 31, 1998; and four counties did not have ABAWDs waivers.
- The Director will be requesting a waiver from Food and Nutrition Service for an additional six months for up to 23 counties with unemployment rates exceeding ten percent. Each county's board of supervisors must approve the waiver request and submit a plan to the California Department of Social Services describing how they will meet the ABAWDs work requirements at the end of the waiver period. Not knowing how each county's board will vote, the estimate does not reflect any county waivers.
- The four counties that did not have waivers have discontinued a total of 1,190 ABAWDs.
- Based on a county survey conducted by Employment Services staff in March 1998, counties anticipate 18,792 ABAWDs will lose eligibility in Fiscal Year (FY) 1997-98, and another 22,510 ABAWDs will lose eligibility in FY 1998-99 when the county waivers expire.
- Counties will begin discontinuing ABAWDs three months after the county waivers expire.
- Counties have the option to discontinue ABAWDs at the next recertification. Assuming counties will discontinue at the next recertification, one-seventh of the ABAWDs losing eligibility in FY 1997-98 were added each month to the ABAWDs who had previously lost eligibility beginning in December 1997, and one-twelfth of the FY 1998-99 ABAWDs losing eligibility were added each month beginning in July 1998.
- The State is allowed a 15-percent exemption of the number of ABAWDs losing eligibility up to a maximum of 3,500 ABAWDs. The 15-percent reduction is applied to the caseload through July 1998; then 3,500 is used for the balance of FY 1998-99.
- The nonassistance food stamp cost for an ongoing case in FY 1997-98 is \$24.24; in FY 1998-99 it is \$24.80.
- There is one person per ABAWDs case.

## Able-Bodied Adults Without Dependents (ABAWDs)

### METHODOLOGY:

The ABAWDs who have lost or will lose eligibility will be referred to as caseload.

- The caseload from the four counties without waivers was used through November 1997.
- Beginning in December 1997, one-seventh of the FY 1997-98 caseload was added each month to the existing caseload.
- Beginning in July 1998, one-twelfth of the FY 1998-99 caseload was added each month to the existing caseload.
- A 15-percent reduction in the caseload was applied to the total monthly caseload each month through July 1998.
- Beginning in August 1998, the monthly total caseload was reduced by 3,500 each month.
- The adjusted monthly caseload was multiplied by \$24.24 in FY 1997-98 to determine the administrative savings.
- The adjusted monthly caseload was multiplied by \$24.80 in FY 1998-99 to determine the administrative savings.

### FUNDING:

Costs are shared 50 percent federal, 35 percent state, and 15 percent county.

### CHANGE FROM PRIOR SUBVENTION:

This estimate reflects updated ABAWDs caseload from the counties and no future waivers after March 1998.

### REASON FOR YEAR-TO-YEAR CHANGE:

There are no waivers in FY 1998-99.

### CASELOAD:

	1997-98	1998-99*
Average Monthly Caseload	-7,454	-32,175

\*Represents a full year of counties without waivers.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	-\$2,168	-\$8,539
Federal	-1,084	-4,270
State	-759	-2,989
County	-325	-1,280
Reimbursements	0	0

## Small Programs (Non-CalWORKs) Block Grants- Basic Costs for AAP, NMOHC and Staff Development

### DESCRIPTION:

The Small Program Block Grant Premise is a consolidation of county administration for the Adoption Assistance Program (AAP), Non-Medical Out-of-Home Care (NMOHC) Program, and staff development.

AAP: County eligibility workers are required to perform administrative functions related to the AAP. Specifically, verification of linkage to the Temporary Assistance for Needy Families (TANF) Program (formerly Aid to Families with Dependent Children Program) is required for all new AAP cases to establish federal or nonfederal eligibility. Linkage is based on the child's situation at the time of removal from the natural home. The child must meet the general eligibility requirements for TANF and qualify as either a federal or state-only foster care case. Recertification is also required on a biennial basis.

Special Adult Program Administration-NMOHC Certification Basic Costs: Through this program, counties monitor and certify the NMOHC living arrangements for Supplemental Security Income/State Supplementary Payment Program recipients in nonlicensed homes on behalf of the State.

Staff Development Basic Costs: This item includes basic costs in support of county eligibility worker staff development activities for the Food Stamp and Foster Care Programs.

### IMPLEMENTATION DATE:

These programs are annual appropriations.

### KEY DATA/ASSUMPTIONS:

- This projection was based on the actual expenditures for Fiscal Year (FY) 1996-97.

### METHODOLOGY:

The estimated costs are based on the actual expenditures for FY 1996-97, and then adjusted for cost-of-doing-business.

### FUNDING:

AAP administrative costs are shared 50 percent Title IV-E funds and 50 percent state funds for federally eligible cases and 100 percent state funds for nonfederal eligible cases.

NMOHC costs are 100 percent state-funded.

Staff development funding is a combination of various sources. Federal funds include Title IV-E and USDA/Food and Consumer Service. The nonfederal share of cost is divided 70 percent state and 30 percent county.

## Small Programs (Non-CalWORKs) Block Grants- Basic Costs for AAP, NMOHC and Staff Development

### CHANGE FROM PRIOR SUBVENTION:

Estimated costs are calculated using updated expenditure data adjusted for projected increased costs.

### REASON FOR YEAR-TO-YEAR CHANGE:

The FY 1998-99 is based on most current year expenditures for FY 1996-97 and adjusted for cost-of-doing-business.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$15,455	\$7,121
Federal	7,492	3,466
State	6,031	3,013
County	1,932	642
Reimbursements	0	0



## Refugee Cash Assistance - Administration

### DESCRIPTION:

Refugee cash assistance (RCA) administrative costs include salaries and benefits of eligibility workers and their first line supervisors who determine eligibility and provide ongoing case management for the RCA Program. Also included are allocated overhead costs and direct costs.

### IMPLEMENTATION DATE:

This premise implemented on March 17, 1980.

### KEY DATA/ASSUMPTIONS:

- The 1997-98 RCA adult administration estimate is based on the actual data through December 1997.
- The unaccompanied minors (UM) administration estimate is based actual data through December 1997.

### METHODOLOGY:

#### FY 1997-98

The actual RCA adult administration costs through December 1997 were doubled to estimate the costs for 1997-98. This totaled \$1,785,820.

The actual UM administration costs through December 1997 were doubled to estimate the UM costs for 1997-98. This totaled \$38,342.

#### FY 1998-99

The RCA adult administration estimate was increased by the cost-of-doing business percentage of 2.32, for a cost of \$1,827,251.

The UM administration estimate was increased by the cost-of-doing business percentage of 2.32, for a cost of \$39,232.

The total 1997-98 and 1998-99 estimated amounts are the sum of the adult and UM portions.

### FUNDING:

This program is 100 percent federally funded with the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

### CHANGE FROM PRIOR SUBVENTION:

The estimate was updated based on more recent actual data.

## Refugee Cash Assistance - Administration

### REASON FOR YEAR-TO-YEAR CHANGE:

Change due to an increase in the cost-of-doing-business and caseload.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$1,824	\$1,866
Federal	1,824	1,866
State	0	0
County	0	0
Reimbursements	0	0

## Food Stamp Program - San Diego County Food Stamp Cash-Out

### DESCRIPTION:

San Diego County is operating a project to demonstrate the effects of issuing warrants (cash) instead of food stamp (FS) coupons. During the first year, the county conducted a pilot test of the project on 20 percent of the existing nonassistance and public assistance households. The project was expanded to 100 percent of the FS caseload on September 1, 1990. Beginning April 1, 1998, San Diego County will begin to phase out the cash-out program and convert to the Electronic Benefit Transfer (EBT) System. This item carries the cash amount that will be used in lieu of coupons. There are no additional administrative costs.

### IMPLEMENTATION DATE:

Effective July 1, 1989.

### KEY DATA/ASSUMPTIONS:

- State Fiscal Year (SFY) 1997-98 expenditures are based on San Diego County's projection.
- The phase out of the cash-out program will begin April 1, 1998, and will be completely phased out with the issuance of July benefits.
- Approximately 14 percent of the caseload will be phased out in April, 48 percent in May, 84 percent in June, and 100 percent in July 1998.

### METHODOLOGY:

- For SFY 1997-98, San Diego County's estimated monthly warrant payments were totaled. San Diego reduced the cost of the warrants by the EBT benefit costs beginning in April 1998.

### FUNDING:

As designed, there is no General Fund impact. Funding of administrative costs are within the county's normal administrative allocation. A separate funding source (100 percent federal USDA/Food and Nutrition Service) has been established for the total warrant payments that are made to replace the coupon value.

### CHANGE FROM PRIOR SUBVENTION:

The premise was updated for San Diego County's projected date of conversion, April 1, 1998 through June 30, 1998, instead of February 1, 1998 through May 31, 1998.

### REASON FOR YEAR-TO-YEAR CHANGE:

Cash-out will be phased out during SFY 1997-98.

## Food Stamp Program - San Diego County Food Stamp Cash-Out

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$104,482	\$0
Federal	104,482	0
State	0	0
County	0	0
Reimbursements	0	0

## **Merced Automated Global Information Control (MAGIC)**

### **DESCRIPTION:**

State funding of the county share of cost for county personnel and vendor maintenance and operation (M&O) costs will continue in Fiscal Year (FY) 1997-98. Passage of AB 67 (Chapter 606, Statutes of 1997) terminated funding for the Merced Automated Global Information Control (MAGIC) System maintenance as of September 30, 1998. At this time, Merced County shall pay the county share of MAGIC application maintenance costs based on its percentage share of the total caseload for the consortium approved for Merced County on October 1, 1998.

The Legislature passed SB 1379 (Chapter 268, Statutes of 1984), effective July 1, 1984, authorizing the development of the Statewide Automated Welfare System (SAWS). Two counties, Merced and Napa, were selected to develop and pilot SAWS. The automated eligibility system developed in Merced County was the MAGIC System. In July 1992, the SAWS Evaluation Report recommended the system developed in Napa County as the most viable system for statewide implementation.

### **IMPLEMENTATION DATE:**

This premise is an annual appropriation.

### **KEY DATA/ASSUMPTIONS:**

- This premise assumes an increase in FY 1998-99 due to an updated cost allocation plan submitted by Merced County.

### **METHODOLOGY:**

Estimated costs for the MAGIC project are based upon the advance planning document update from November 1993, and an updated cost allocation plan submitted by Merced County.

### **FUNDING:**

MAGIC funding is a combination of various sources. Federal funds include the normal share of Temporary Assistance for Needy Families, IV-E, USDA/Food and Nutrition Service and Refugee Resettlement Program. The project is also eligible for Title XIX federal funding, budgeted by the Department of Health Services.

Note: AB 1542 (Chapter 270, Statutes of 1997), section 15204.4 of the Welfare and Institutions Code requires a maintenance of effort (MOE) from the counties based on expenditures during FY 1996-97, which include the administration of food stamps. Please reference the "County MOE Adjustment" premise.

## Merced Automated Global Information Control (MAGIC)

### CHANGE FROM PRIOR SUBVENTION:

1997-98:

There is no change.

1998-99:

The estimate has been adjusted based on Merced County's percentage share of the total caseload for Consortia IV (Riverside, San Bernardino, Stanislaus and Merced Counties) and projected increased costs based on updated expenditure data.

### REASON FOR YEAR-TO-YEAR CHANGE:

Estimates reflect increased costs in the budget year based on updated expenditure data.

### EXPENDITURES:

(in 000's)

	1997-98 <sup>1</sup>	1998-99 <sup>2</sup>
	County Admin.	County Admin.
Total	\$4,987	\$5,132
Federal	2,566	2,639
State	2,233	2,254
County	188	239
Reimbursements	0	0

<sup>1</sup> - In Section 15.85 of Item 141.

<sup>2</sup> - In Section 15.80 of Item 141.

## Consortia Planning and Management

### DESCRIPTION:

The Legislature passed SB 1379 (Chapter 268, Statutes of 1984), effective July 1, 1984, authorizing the development of the Statewide Automated Welfare System (SAWS). SAWS encompasses the following functions: automated eligibility determination, automated benefit computation, benefit delivery, case management and management information.

In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS. The Budget Act of 1995 included language requiring HWDC, in collaboration with the County Welfare Directors Association, to develop a multiple county consortium strategy as a foundation for statewide welfare automation. The Legislature and Administration determined that “no more than four” county consortia would be approved. These requirements were codified in AB 67 (Chapter 606, Statutes of 1997). The four consortia include: the Interim Statewide Automated Welfare System (ISAWS); the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting System (LEADER); the Welfare Case Data System (WCDS); and Consortium-IV (C-IV).

HWDC will provide general project management and oversight, including facilitating communications and teamwork among stakeholders, monitoring county implementation and ongoing operations to ensure system standards and program requirements are met, and promoting the cost-effective use of monies.

In general, primary responsibilities of the consortia include developing and implementing governance systems to ensure cooperation and coordination between counties within each consortium. Consortia will then lead in defining county-level system requirements and the competitive procurement of system hardware and software development, implementation support and maintenance and operations of the consortia systems.

### IMPLEMENTATION DATE:

This is an ongoing premise.

### KEY DATA/ASSUMPTIONS:

- The consortia planning and management estimate includes the costs for state oversight activities, WCDS consortium planning, and C-IV planning.

### METHODOLOGY:

Consortia planning and management costs are based on (1) the SAWS baseline budget; (2) additional state-level costs required to implement the multiple county consortia strategy; and (3) county specific costs, identified by the consortia, for planning activities. The August 1997 SAWS Implementation Advance Planning Document provides the detail for consortia planning and management costs; the August 1997 WCDS Planning Advance Planning Document Update (PAPDU) provides the detail for the WCDS costs; and the June 1997 C-IV PAPDU provides the detail for the C-IV costs. Twenty-nine percent of consortia planning and management funds are counted toward the State’s maintenance of effort.

## Consortia Planning and Management

## FUNDING:

Consortia planning and management funding comes from various sources. Federal funds include the normal share of Title IV-E, food stamp, and Refugee Resettlement Program funding. Also, the project is eligible for Title XIX federal funding, which is budgeted by the Department of Health Services. The Temporary Assistance for Needy Families (TANF) block grant is the funding source for TANF (formerly Aid to Families with Dependent Children Program) eligible costs. The balance of the funding is State General Fund.

## CHANGE FROM PRIOR SUBVENTION:

There is no change.

## REASON FOR YEAR-TO-YEAR CHANGE:

Estimate reflects the removal of planning costs for the Los Angeles County foster care component in LEADER, and a decrease in the budget year planning for C-IV.

## EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$14,101	\$7,162
Federal	4,739	2,425
State	7,143	3,627
County	0	0
Reimbursements	2,219	1,110

## CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$14,101	\$7,162
CDSS	8,321	1,293
HWDC	5,780	5,869



## Technical Architecture

### DESCRIPTION:

The Legislature passed SB 1379 (Chapter 268, Statutes of 1984), effective July 1, 1984, authorizing the development of the Statewide Automated Welfare System (SAWS). SAWS encompasses the following functions: automated eligibility determination, automated benefit computation, benefit delivery, case management and management information.

In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS.

The Budget Act of 1995 included language requiring HWDC, in collaboration with the County Welfare Directors Association, to develop a multiple county consortium strategy as a foundation for statewide welfare automation. The Legislature and Administration determined that "no more than four" county consortia would be approved. These requirements were codified in AB 67 (Chapter 606, Statutes of 1997). The Budget Act of 1995 also required that HWDC coordinate the effort to establish, manage and enforce a statewide technical architecture and standards that meet state, consortia and county needs.

The SAWS Technical Architecture premise will support electronic exchange of data between consortia systems for eligibility, anti-fraud and case management, provide for interface requirements for the SAWS consortia and other related State automation systems and, partnering with CDSS, California Department of Health Services (CDHS) and consortia, define specifications to meet state and federal reporting requirements. With the passage of state and federal welfare reform legislation requiring time limits on program eligibility, the SAWS Technical Architecture premise has become even more essential.

### IMPLEMENTATION DATE:

Planning activities began in January 1996 and are ongoing with development and implementation activities occurring concurrently. A production system will be completed in State Fiscal Year 1997-98 with statewide implementation dependent upon the consortia implementation schedules.

### KEY DATA/ASSUMPTIONS:

- HWDC will also oversee the development and operation of the technical infrastructure that will allow for statewide data reporting and the exchange of appropriate data between systems for eligibility, anti-fraud and case management purposes.

### METHODOLOGY:

Technical architecture development and implementation costs are based on the August 1997 Implementation Advance Planning Document, which provides the detail for these costs. Twenty-seven percent of total technical architecture funds are counted toward the State's maintenance of effort.

## Technical Architecture

### FUNDING:

Technical architecture development and implementation funding comes from various sources. Federal funds include the normal share of Title IV-E, food stamp, and Refugee Resettlement Program funding. Also, the project is eligible for Title XIX federal funding, which is budgeted by CDHS. The Temporary Assistance for Needy Families (TANF) block grant is the funding source for TANF (formerly Aid to Families with Dependent Children Program) eligible costs. The balance of the funding is State General Fund.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is a reduction of costs in the budget year due to the completion of development activities.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$10,899	\$5,643
Federal	3,577	1,852
State	5,525	2,861
County	0	0
Reimbursements	1,797	930

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$10,899	\$5,643
CDSS	0	0
HWDC	10,899	5,643

# ISAWS Implementation

## DESCRIPTION:

The Legislature passed SB 1379 (Chapter 268, Statutes of 1984), effective July 1, 1984, authorizing the development of the Statewide Automated Welfare System (SAWS). SAWS encompasses the following functions: automated eligibility determination, automated benefit computation, benefit delivery, case management and management information.

In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS. The Budget Act of 1995 included language requiring HWDC, in collaboration with the County Welfare Directors Association, to develop a multiple county consortium strategy as a foundation for statewide welfare automation. The Legislature and Administration determined that "no more than four" county consortia would be approved. These requirements were codified in AB 67 (Chapter 606, Statutes of 1997). The Budget Act of 1995 named the Interim Statewide Automated Welfare System (ISAWS) as one of the four consortia.

Prior to the Budget Act of 1995, ISAWS was operating in Napa County, and activities were underway to implement the system in 14 additional counties. Under the multiple county consortium strategy, 20 additional counties (ISAWS Phase II) elected to join the consortium.

## IMPLEMENTATION DATE:

Case conversion will be completed in the last of the ISAWS consortium counties in June 1998.

## KEY DATA/ASSUMPTIONS:

- ISAWS implementation will be completed in State Fiscal Year 1998-99.

## METHODOLOGY:

HWDC developed cost estimates for the implementation of ISAWS in 20 additional counties and the transfer of operations from Napa County to HWDC. The estimates are based on the costing assumptions used for the original 14 ISAWS counties and HWDC's proposal for the most effective implementation strategy for these counties. ISAWS costs are detailed in the July 1997 Implementation Advance Planning Document Update. Thirty-eight percent in the current year and 42 percent in the budget year of total ISAWS implementation funds are counted toward the State's maintenance of effort.

## FUNDING:

ISAWS implementation funding comes from various sources. Federal funds include the normal share of Title IV-E, Food Stamp, and Refugee Resettlement Program funding. Also, the project is eligible for Title XIX federal funding, which is budgeted by the Department of Health Services. The Temporary Assistance for Needy Families (TANF) block grant is the funding source for TANF (formerly Aid to Families with Dependent Children Program) eligible costs. The balance of the funding is State General Fund.

## ISAWS Implementation

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

Implementation of ISAWS' counties end in July 1998; however, there are still maintenance and operations costs associated with this premise.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$19,566	\$6,512
Federal	7,509	2,456
State	9,838	3,218
County	16	54
Reimbursements	2,203	784

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$19,566	\$6,512
CDSS	4,466	18
HWDC	15,100	6,494

## ISAWS Ongoing Maintenance and Operations

### DESCRIPTION:

The Legislature passed SB 1379 (Chapter 268, Statutes of 1984), effective July 1, 1984, authorizing the development of the Statewide Automated Welfare System (SAWS). SAWS encompasses the following functions: automated eligibility determination, automated benefit computation, benefit delivery, case management and management information.

In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS. The Budget Act of 1995 included language requiring HWDC, in collaboration with the County Welfare Directors Association, to develop a multiple county consortium strategy as a foundation for statewide welfare automation. The Legislature and Administration determined that "no more than four" county consortia would be approved. These requirements were codified in AB 67 (Chapter 606, Statutes of 1997). The Budget Act of 1995 named the Interim Statewide Automated Welfare System (ISAWS) as one of the four consortia.

Prior to the Budget Act of 1995, ISAWS was operating in Napa County, and activities were underway to implement the system in 14 additional counties. Under the multiple county consortium strategy, 20 additional counties (ISAWS Phase II) elected to join the consortium.

### IMPLEMENTATION DATE:

This is an ongoing premise.

### KEY DATA/ASSUMPTIONS:

- This item reflects the one-time and ongoing maintenance and operations costs for the 14 ISAWS counties.

### METHODOLOGY:

ISAWS costs are based on the July 1997 Implementation Advance Planning Document Update which provides the detail for these costs. Forty-nine percent in the current year and 52 percent in the budget year of total ISAWS ongoing maintenance and operations funds are counted toward the State's maintenance of effort.

### FUNDING:

ISAWS funding comes from various sources. Federal funds include the normal share of Title IV-E, food stamp, and Refugee Resettlement Program funding. Also, the project is eligible for Title XIX federal funding, which is budgeted by the Department of Health Services. The Temporary Assistance for Needy Families (TANF) block grant is the funding source for TANF (formerly Aid to Families with Dependent Children Program) eligible costs. The balance of the funding is State General Fund and the county share of maintenance and operations costs as specified in the Welfare and Institutions Code.

## ISAWS Ongoing Maintenance and Operations

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There are decreased costs in the budget year as expenditures are less than originally estimated.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$29,004	\$23,803
Federal	10,598	8,588
State	14,290	11,401
County	229	496
Reimbursements	3,887	3,318

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$29,004	\$23,803
CDSS	0	0
HWDC	29,004	23,803

## **Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)**

### **DESCRIPTION:**

The Legislature passed SB 1379 (Chapter 268, Statutes of 1984), effective July 1, 1984, authorizing the development of the Statewide Automated Welfare System (SAWS). SAWS encompasses the following functions: automated eligibility determination, automated benefit computation, benefit delivery, case management and management information.

In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS. The Budget Act of 1995 included language requiring HWDC, in collaboration with the County Welfare Directors Association, to develop a multiple county consortium strategy as a foundation for statewide welfare automation. The Legislature and Administration determined that "no more than four" county consortia would be approved. These requirements were codified in AB 67 (Chapter 606, Statutes of 1997). The Budget Act of 1995 named the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) as one of the four consortia.

### **IMPLEMENTATION DATE:**

This is an ongoing premise.

### **KEY DATA/ASSUMPTIONS:**

- System development and implementation activities will continue through State Fiscal Years 1997-98 and 1998-99.

### **METHODOLOGY:**

LEADER costs are based upon the county's July 1997 Implementation Advance Planning Document update, which provides the details for these costs. Forty-four percent of total LEADER funds in the current and budget years are counted toward the State's maintenance of effort.

### **FUNDING:**

LEADER funding comes from various sources. Federal funds include the normal share of Title IV-E, food stamp, and Refugee Resettlement Program funding. Also, the project is eligible for Title XIX federal funding, which is budgeted by the Department of Health Services. The Temporary Assistance for Needy Families (TANF) block grant is the funding source for TANF (formerly Aid to Families with Dependent Children Program) eligible costs. The balance of the funding is State General Fund. The county shares in the cost of system development and implementation.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

## Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

### REASON FOR YEAR-TO-YEAR CHANGES:

The increase in the budget year represents a shift in costs between years.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$22,145	\$24,122
Federal	9,780	10,653
State	8,300	9,041
County	4,065	4,428
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$22,145	\$24,122
CDSS	22,145	24,122
HWDC	0	0



## **Welfare Case Data System (WCDS)**

### **DESCRIPTION:**

The Legislature passed SB 1379 (Chapter 268, Statutes of 1984), effective July 1, 1984, authorizing the development of the Statewide Automated Welfare System (SAWS). SAWS encompasses the following functions: automated eligibility determination, automated benefit computation, benefit delivery, case management and management information.

In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS. The Budget Act of 1995 included language requiring HWDC, in collaboration with the County Welfare Directors Association, to develop a multiple county consortium strategy as a foundation for statewide welfare automation. The Legislature and Administration determined that "no more than four" county consortia would be approved. These requirements were codified in AB 67 (Chapter 606, Statutes of 1997). One of the four approved consortia is the Welfare Case Data System (WCDS).

Under the multiple county consortium strategy, 18 counties have elected to utilize WCDS as their SAWS solution. The consortium is now pursuing a new system to fulfill its need for welfare automation.

### **IMPLEMENTATION DATE:**

This is an ongoing premise.

### **KEY DATA/ASSUMPTIONS:**

- The start of development is dependent on the award the development contract. System development is anticipated to begin in Fiscal Year (FY) 1998-99.

### **METHODOLOGY:**

WCDS costs are based on the June 1997 Implementation Advance Planning Document Update. Twenty-eight percent of total WCDS funds are counted toward the State's maintenance of effort.

### **FUNDING:**

WCDS funding comes from various sources. Federal funds include the normal share of Title IV-E, Food Stamp, and Refugee Resettlement Program funding. Also, the project is eligible for Title XIX federal funding, which is budgeted by the Department of Health Services. The Temporary Assistance for Needy Families (TANF) block grant is the funding source for TANF (formerly Aid to Families with Dependent Children Program) eligible costs. The balance of the funding is State General Fund and the county share of application development costs as specified in the Welfare and Institutions Code.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

## Welfare Case Data System (WCDS)

### REASON FOR YEAR-TO-YEAR CHANGE:

In FY 1997-98, the project is in the planning phase. In FY 1998-99, the project will move into the development phase.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$0	\$17,833
Federal	0	5,853
State	0	9,040
County	0	0
Reimbursements	0	2,940

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$0	\$17,833
CDSS	0	17,833
HWDC	0	0

# **California Work Opportunity and Responsibility to Kids (CalWORKs) - Statewide Automated Welfare System Reprogramming**

## **DESCRIPTION:**

The Budget Act of 1995 established a multiple county consortium strategy, allowing up to four consortia, to implement the Statewide Automated Welfare System (SAWS) to determine and track welfare eligibility. The consortia are: the Interim Statewide Automated Welfare System (ISAWS), the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) System, the Welfare Case Data System (WCDS), and Consortium IV (C-IV).

California's welfare reform provisions were enacted through AB 1542 (Chapter 270, Statutes of 1997), which created the California Work Opportunity and Responsibility to Kids (CalWORKs) Program, effective January 1, 1998. As a result of the Temporary Assistance for Needy Families (TANF) block grant and the implementation of the CalWORKs Program, significant modifications to the electronic data processing systems are anticipated. This premise provides funding for many of the new system requirements.

## **IMPLEMENTATION DATE:**

This is an ongoing premise.

## **KEY DATA/ASSUMPTIONS:**

- System modifications to reflect federal and state welfare reform changes are required for the ISAWS and LEADER consortia and for the SAWS Technical Architecture (TA).

## **METHODOLOGY:**

Cost estimates are based on preliminary information available in March 1998. The Health and Welfare Agency Data Center (HWDC) will allocate the funding based on plans and resource estimates reflected in a future advance planning document for this item.

## **FUNDING:**

CalWORKs-SAWS reprogramming funding is 50 percent TANF and 50 percent General Fund.

## **CHANGE FROM PRIOR SUBVENTION:**

The November 1997 estimate reflected a placeholder allocation that was determined before the impact of welfare reform requirements was fully understood. The ISAWS and LEADER Consortia and the SAWS TA project continue to assess the impact of the changes. These funds will be "set-aside" until an advance planning document is approved for these activities.

## California Work Opportunity and Responsibility to Kids (CalWORKs) - Statewide Automated Welfare System Reprogramming

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$2,744	\$2,744
Federal	1,372	1,372
State	1,372	1,372
County	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$2,744	\$2,744
CDSS	0	0
HWDC	2,744	2,744

## SACSS Implementation

### DESCRIPTION:

The Statewide Automated Child Support System (SACSS) is a federal and state system mandated by the Family Support Act of 1988 to meet the need for a single, comprehensive integrated child support enforcement system throughout the State. In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS.

### IMPLEMENTATION DATE:

SACSS is no longer being implemented.

### KEY DATA/ASSUMPTIONS:

- Implementation of the SACSS application ended November 19, 1997.

### METHODOLOGY:

All implementation funds have been redirected to the maintenance and operations of the SACSS production counties.

### FUNDING:

Not applicable.

### CHANGE FROM PRIOR SUBVENTION:

All implementation funds have been redirected to the maintenance and operations of the SACSS production counties.

### REASON FOR YEAR-TO-YEAR CHANGE:

Implementation of the SACSS application ended November 19, 1997. All implementation funds have been redirected to the maintenance and operations of the SACSS production counties.

## SACSS Implementation

### EXPENDITURES:

(in 000's)	1997-98	1998-99
	County Admin.	County Admin.
Total	\$0	\$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)	1997-98	1998-99
Total	\$0	\$0
CDSS	0	0
HWDC	0	0

## **SACSS Maintenance and Operations**

### **DESCRIPTION:**

The Statewide Automated Child Support System (SACSS) is a federal and state system mandated by the Family Support Act of 1988 to meet the need for a single, comprehensive integrated child support enforcement system throughout the State. In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS.

### **IMPLEMENTATION DATE:**

Although statewide implementation did not occur, production counties are incurring maintenance and operations costs for equipment and network usage.

### **KEY DATA/ASSUMPTIONS:**

- The Fiscal Year 1997-98 estimate is a minimalist budget necessary to support the 21 production counties. All implementation funds have been redirected to the maintenance and operations of the SACSS production counties.

### **METHODOLOGY:**

Costs are based on the equipment and network maintenance and operations (M&O) costs for the 21 operational counties. These costs are consistent with a September 1997 special project report. With the exception of the General Fund budgeted as a loan to the counties to assist with their M&O costs, funding for the SACSS project has been deleted in the budget year.

### **FUNDING:**

Total costs are shared 66 percent federal and 34 percent either state or county match.

### **CHANGE FROM PRIOR SUBVENTION:**

All implementation funds have been redirected to the maintenance and operations of the SACSS production counties.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

Implementation of the SACSS application ended November 19, 1997. All implementation funds have been redirected to the maintenance and operations of the SACSS production counties.

## **SACSS Maintenance and Operations**

### **EXPENDITURES:**

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$39,583	\$2,404
Federal	24,538	0
State	15,045	2,404
County	0	0
Reimbursements	0	0

**CDSS/HWDC PARTNERSHIP:**

(in 000's)

	1997-98	1998-99
Total	\$39,583	\$2,404
CDSS	2,404	2,404
HWDC	37,179	0



## Child Support Automation

### DESCRIPTION:

The Family Support Act of 1988 mandated that every state develop and implement an automated child support enforcement system, no later than October 1, 1995. The deadline was extended to October 1, 1997. States that fail to meet the deadline would be subject to significant federal penalties and/or sanctions.

In 1992, California awarded a contract to Lockheed Martin Information Management System (LMIMS) to develop the Statewide Automated Child Support System (SACSS). While this system was eventually installed in 23 counties, SACSS had serious system deficiencies, which twice led the State to halt deployment. After months of discussions, the state terminated the contract with LMIMS on November 19, 1997.

California now faces the problem of planning a new statewide child support enforcement (CSE) system, while providing support for those counties which were dependent on SACSS to meet the federal mandates. The State has divided the problem into two major tasks: 1) short-term planning to provide a "safe haven" for counties using SACSS or otherwise at risk due to the failure of SACSS; and 2) long-term planning to develop a new statewide CSE system.

### IMPLEMENTATION DATE:

July 1998

### KEY DATA/ASSUMPTIONS:

- The baseline budget for SACSS was removed from the 1998-99 budget. Therefore, all cost estimates for the new child support automation planning and implementation efforts were developed from a zero base for 1998-99.

### METHODOLOGY:

All the cost projections were based on the project's new management planning tool, which identifies all tasks/activities and assigns these task/activities to staff. The major cost components for 1998-99 are: 1) new system planning and development; 2) alternative procurement contracts; 3) SACSS maintenance and operations for production counties through February 28, 1999; 4) project management and support; and 5) SACSS to Computer Assisted Support Enforcement System (CASES) transition (the state will transition SACSS production counties to the state's endorsed "safe" haven CASES).

### FUNDING:

Total costs are shared 66 percent federal and 34 percent state.

### CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

## Child Support Automation

### REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$ 284	\$26,585
Federal	187	17,546
State	97	9,039
County	0	0
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$ 284	\$26,585
CDSS	0	0
HWDC	284	26,585

## **P.L. 104-193 SACSS Project**

### **DESCRIPTION:**

The Statewide Automated Child Support System (SACSS) Project resulted from federal legislation requiring states to implement a statewide automated child support system. This legislation, called the Family Support Act of 1988, established the requirement for a single, comprehensive integrated child support system to be operational in all states. The California SACSS Project is a single automated system with common hardware and software.

In August of 1996, Congress enacted the federal welfare reform act (Public Law (P.L.) 104-193). P.L. 104-193 mandates extensive changes in how states administer their child support enforcement programs. Although some of the changes require the passage of state legislation, there are many requirements which do not and must be implemented in accordance with the federal mandate. This premise addresses those welfare reform requirements which do not need special legislation and directly impact the SACSS application.

There are two major components of the welfare reform act that impact the SACSS project:

1. State Case (Court Order) Registry - A repository for all support orders must be created, including development of an automated interface with the federal case registry and other state agencies and interstate information networks; and
2. State Disbursement Unit - An automated system for collection and disbursement must be developed along with the establishment of a centralized, state-run collection and disbursement unit.

### **IMPLEMENTATION DATE:**

This premise implemented on July 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- The estimate assumes that a vendor will be procured for the system changes necessary to implement welfare reform. Estimated change order hours were based on a contractor rate of \$90 an hour. An independent verification and validation (IV&V) vendor will be procured to provide a system impact analysis based on the primary vendor's assessment and will also be providing oversight over the change orders.

### **METHODOLOGY:**

The welfare reform act was specific as to the implementation dates for the required changes. However, it allowed for an extension of the date to implement those changes requiring state legislation. This is a limited extension to coincide with a state's legislative sessions.

## P.L. 104-193 SACSS Project

### FUNDING:

P.L. 104-193 provided a separate nationwide appropriation of \$400.0 million for the implementation of the welfare reform provisions. States are allowed the flexibility to use this funding to complete the automation of their child support systems and welfare reform provisions. The Department anticipates utilizing this funding stream for implementing California's welfare reform efforts. Therefore, the federal financial participation rate is 80 percent beginning July 1, 1997. The required nonfederal match of 20 percent will be borne by the State.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

Funding for the P.L. 104-193 SACSS Project has been deleted in the budget year.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$2,912	\$0
Federal	2,162	0
State	750	0
County	0	0
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$2,912	\$0
CDSS	0	0
HWDC	2,912	0

# Statewide Electronic Benefits Transfer Project

## DESCRIPTION:

Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, mandates an electronic benefits transfer (EBT) system for food stamps by the Year 2002. In addition, AB 1542 (Chapter 270, Statutes of 1997) was passed requiring the Health and Welfare Agency Data Center (HWDC) to oversee the implementation of an EBT system. The State Legislature requires a system for food stamps and allows counties the option of including cash benefits. EBT uses debit card technology and retailer point-of-sale terminals to automate benefit authorization, delivery, redemption and financial settlement. This eliminates the need for food stamp coupons. EBT also increases the assurance benefit dollars are used appropriately and provides effective ways to reduce and prevent fraud and abuse. For the recipient, EBT increases security and safety while reducing the stigma associated with receiving public assistance. This premise reflects the costs associated with planning activities for the statewide EBT project.

## IMPLEMENTATION DATE:

An implementation schedule will be developed during the planning phase. Planning activities are expected to conclude in State Fiscal Year (SFY) 1998-99.

## KEY DATA/ASSUMPTIONS:

- HWDC will provide general project management and oversight, including facilitating communications and teamwork among stakeholders.

## METHODOLOGY:

EBT costs for HWDC are based on the January 1998 Planning Advance Planning Document Update, which provides the detail for these costs.

## FUNDING:

Federal funding includes the normal share of Food Stamp Program funds shared at 50 percent federal, 50 percent state, and zero percent county. The Temporary Assistance for Needy Families (TANF) block grant is the funding source for TANF (formerly Aid to Families with Dependent Children Program) eligible costs and is funded 100 percent with General Fund.

## CHANGE FROM PRIOR SUBVENTION:

Due to the required interactive procurement process and an expansion of the contract approval process, the planning phase for EBT has increased by nine months. Also, a portion of the costs budgeted for SFY 1997-98 shifted to SFY 1998-99 to reflect the current schedule for planning activities.

## REASON FOR YEAR-TO-YEAR CHANGE:

There is a shift in costs from current year to budget year due to delays in the approval of planning documents.

## Statewide Electronic Benefits Transfer Project

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$917	\$1,057
Federal	459	528
State	458	529
County	0	0
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$917	\$1,057
CDSS	0	0
HWDC	917	1,057

## Child Welfare Services - Basic Costs

### DESCRIPTION:

The costs reflected for each component are those incurred by county welfare departments in the administration of the Child Welfare Services (CWS) Program as established through the Welfare and Institutions Code (W&IC) 16500. W&IC 11461 (e)(4)(B) provides additional funding to counties as incentives and assistance specifically for the Aid to Families with Dependent Children/Foster Care Specialized Care Program. These funds will be used to cover: purchase of nonrecurring items on an as needed basis, purchase of services not available through other fund sources, and the development of a respite care program or purchase of respite care services.

#### Emergency Response (ER) Component

ER is designed to provide initial intake services in response to reported allegations of child abuse, neglect or exploitation. County welfare departments are required to determine whether an in-person investigation of circumstances and facts is required to determine the potential for, or existence of, abuse/neglect, to conduct such investigation, when required, and to identify the need and type of services to be provided.

#### Family Maintenance (FM) Component

FM is designed to provide time-limited protective services to prevent or remedy neglect, abuse or exploitation for the purpose of preventing separation of children from their families. County welfare departments are responsible for determining the specific service needs of the child and family aimed at sustaining the child in the home.

#### Family Reunification (FR) Component

FR is designed to provide time-limited services while the child is in temporary foster care to prevent or remedy neglect, abuse or exploitation when the child cannot safely remain at home. County welfare departments are responsible for determining the specific service needs of the child and/or family aimed at reunifying the child with the family.

#### Permanent Placement (PP) Component

PP is designed to provide an alternative permanent family structure for children who because of abuse, neglect or exploitation cannot safely remain at home and who are unlikely to ever return home. The county welfare departments are responsible for determining the appropriate permanent goal for the child and facilitating the implementation of that goal. These goals are defined as guardianship, adoption or long-term placement.

### KEY DATA/ASSUMPTIONS:

- The workload standard was adopted by the Department in conjunction with the County Welfare Directors' Association in 1984. These standards are 15.8 for ER, 35.0 for FM, 27.0 for FR, 54.0 for PP and 320.0 for ER assessments.
- The statewide annual cost of a social worker (SW) (\$103,194) was based on the estimated cost of providing services, to include total staff costs, support costs, and electronic data processing costs, provided in the Fiscal Year (FY) 1998-99 proposed county administrative budgets.

## Child Welfare Services - Basic Costs

### METHODOLOGY:

Fiscal Year 1997-98

- There is no change from the appropriation.

Fiscal Year 1998-99

- The estimated total expenditure was derived by developing individual county caseload estimates. For many counties, the last three years of actual caseloads were used through October 1997 and information provided by counties explaining caseload fluctuation. Caseloads used for those counties implementing the CWS/Case Management System were evaluated on a county-by-county basis, and the more appropriate actual caseloads were used to develop the estimate.
- The SW full-time equivalents (FTEs) were determined by applying the workload standards to the corresponding component's caseload, expanded for a 7:1 supervisory ratio.
- The annual cost of an SW in each county was applied to the total number of FTEs in each county to derive staff costs.

Direct costs were projected from 1996-97 nonshelter care actual expenditures adjusted for increases in costs of providing services and statewide average caseload growth. Total direct costs, excluding county-operated emergency shelter care, were \$60.7 million for the 58 counties. The projected county-operated emergency shelter costs were \$38.2 million for those counties with county-operated emergency shelters.

### FUNDING:

The federal share of costs is a combination of Titles IV-B, IV-E and XIX funds. The Title IV-B funds are limited by the capped federal allocation.

- The estimated Title IV-B funds available in local assistance for State Fiscal Year 1998-99 are \$33.0 million. These funds have a 75 percent federal match rate.
- The Title IV-E amount reflects the actual experience from FY 1996-97 that 34 percent of the expenditures would be eligible for Title IV-E funding.
- The Title XIX amount for FY 1997-98 is calculated using individual county usage rates based on FY 1996-97 expenditure data which reflect that three percent of the total costs will be eligible for Title XIX funding.

Nonfederal costs are shared at 70 percent State and 30 percent county.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.



## Child Welfare Services - Basic Costs

### REASON FOR YEAR-TO-YEAR CHANGE:

The FY 1998-99 estimate has been updated for actual expenditures, unit cost, caseload growth, and cost- of-doing-business.

### CASELOAD:

(Average Monthly)

	1997-98	1998-99
Emergency Response	42,824	44,595
Family Maintenance	33,598	35,988
Family Reunification	31,887	35,479
Permanent Placement	68,744	69,332

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$686,572	\$763,312
Federal	260,238	303,036
State	282,221	304,718
County	118,924	127,988
Reimbursements	25,189	27,570

### WEIGHTED COSTS BY COMPONENT:

	1997-98		1998-99	
	TOTAL FUNDS	GENERAL FUNDS	TOTAL FUNDS	GENERAL FUNDS
Emergency Response	\$303,843	\$124,898	\$334,089	\$133,370
Family Maintenance	107,616	44,236	121,709	48,587
Family Reunification	132,398	54,423	155,539	62,092
Permanent Placement	<u>142,715</u>	<u>58,664</u>	<u>151,975</u>	<u>60,669</u>
	\$686,572	\$282,221	\$763,312	\$304,718

## Child Welfare Services - Basic Costs

### RECONCILIATION OF FEDERAL FUNDS:

	1997-98	1998-99
Title IV-B	\$31,039	\$33,040
Title IV-E	229,199	269,996
Title XIX	<u>25,189</u>	<u>27,570</u>
Total Federal Funding	\$285,427	\$330,606

### SPECIALIZED CARE:

	1997-98	1998-99
Total	\$4,732	\$5,628
Federal	0	0
State	4,732	5,628
County	0	0

## Child Welfare Services/Case Management System - System Support Staff

### DESCRIPTION:

This premise is to fund the county administrative staff needed to support the Child Welfare Services/Case Management System (CWS/CMS) which was implemented as a result of SB 370 (Chapter 1294, Statutes of 1989). These staff are needed for implementation as well as ongoing operations.

### IMPLEMENTATION DATE:

There is a staggered implementation, based on individual county starting dates beginning in Fiscal Year (FY) 1996-97.

### KEY DATA/ASSUMPTIONS:

- Staffing for FY 1997-98 is based on a staff to workstation ratio of 1:125, and FY 1998-99 is based on a 1:50 ratio for all counties.
- Electronic data processing (EDP) average monthly salaries were used from each county's proposed county administrative budget. If a county did not have an EDP salary, then the county's administrative salary was used.

### METHODOLOGY:

Full-time equivalent (FTE) system support staff are calculated by applying the staff to workstation ratio to the total number of workstations in each individual county. These FTEs are funded at each county's individual electronic data processing/administrative salary.

### FUNDING:

For each fiscal year, the federal share is 50 percent, from Statewide Automation Child Welfare Information System funds. The nonfederal share is split 70 percent State General Fund (GF) and 30 percent county.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The number of FTEs increased since the staff to workstation ratio changed from 1:125 to 1:50.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$5,686	\$15,358
Federal	2,843	7,679
State	1,990	5,375
County	853	2,304
Reimbursements	0	0

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## **Child Welfare Services - Emergency Assistance Program**

### **DESCRIPTION:**

In 1993, the Department implemented a statewide Emergency Assistance (EA) Program under Title IV-A of the Social Security Act for county welfare departments which provides funding for emergency shelter care to children determined to be at risk due to abuse, neglect, abandonment, or exploitation.

In 1994, the Department implemented crisis resolution and emergency response (ER) as the child welfare services components of emergency assistance. Crisis resolution provides services to families aimed at resolving family crises without removing the child from the home or by allowing the child to be returned to the family with the provision of supporting services to ensure child safety. Under EA/ER, State General Funds (GF) will be available for emergency response activities such as receiving and assessing referrals, investigating emergency allegations, and gathering and evaluating relevant information.

EA case management is defined as an array of activities directed to a specific child. These activities include, but are not limited to, developing a case or service plan for a child, working with foster or adoptive parents to prepare them to receive a child, case and administrative reviews, case conferences, or permanency planning meetings.

### **IMPLEMENTATION DATE:**

Emergency Shelter Care - This premise implemented on September 1, 1993.

Crisis Resolution - This premise implemented on August 1, 1994.

Emergency Response - This premise implemented on August 1, 1994.

Case Management - This premise implemented on October 1, 1995.

### **KEY DATA/ASSUMPTIONS:**

- Fiscal Year (FY) 1995-96 Title IV-A usage rates for each component were used to develop the estimate.
- The caseload growth from FY 1997-98 to FY 1998-99 is based on the Child Welfare Services Basic caseload growth of 5.12 percent.
- A cost-of-doing-business increase of 3.39 percent from FY 1995-96 to FY 1996-97 was used to develop the FY 1998-99 estimate.

### **METHODOLOGY:**

The FY 1997-98 estimate has been held at the appropriation level and the FY 1998-99 estimate has been increased for 5.12 percent caseload growth and 3.39 percent cost-of-doing-business.

### **FUNDING:**

This program is funded with state and county funds only. AB 67 (Chapter 606, Statutes of 1997) discontinued federal participation in this program, replacing the federal share with State General Funds. The sharing ratio for shelter care EA eligible cases under 30 days and all other EA components is 85 percent state and 15 percent county. For shelter care EA eligible cases over 30 days, the ratio is 50 percent state and 50 percent county funds.

## Child Welfare Services - Emergency Assistance Program

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The FY 1998-99 estimate has increased over FY 1997-98 for 5.12 percent caseload growth and 3.39 percent cost-of-doing-business increase.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99	1997-98 Emergency Shelter Care	1998-99
Case Management				
Total	\$9,514	\$10,340	\$27,006	\$29,351
Federal	0	0	0	0
State	8,087	8,789	19,687	21,396
County	1,427	1,551	7,319	7,955
Reimbursements	0	0	0	0
	1997-98	1998-99	1997-98	1998-99
		99		
Crisis Resolution			Emergency Response	
Total	\$1,382	\$1,502	\$92,611	\$100,652
Federal	0	0	0	0
State	1,175	1,277	78,719	85,554
County	207	225	13,892	15,098
Reimbursements	0	0	0	0
	1997-98	1998-99		
Combined Total	County Admin.	County Admin.		
Total	\$130,513	\$141,845		
Federal	0	0		
State	107,668	117,016		
County	22,845	24,829		
Reimbursements	0	0		

## State Family Preservation - Permanent Transfer

### DESCRIPTION:

This premise authorizes the permanent transfer of funds from foster care to child welfare services for counties that had a family preservation program in operation at least three years. In accordance with AB 2365 (Chapter 71, Statutes of 1992), the three-year requirement can be met by a county using time periods in which the county funded and operated an approved plan for family preservation. The amount of funds to be permanently transferred cannot exceed 70 percent of the highest annual amount spent for family preservation. Once the permanent transfer of funds has occurred, the incentive/penalty provisions under current law will no longer be in force. The transferred funds will be incorporated into the base funding allocations of the participating counties in later years.

### IMPLEMENTATION DATE:

This premise was implemented in State Fiscal Year (FY) 1993-94.

### KEY DATA/ASSUMPTIONS:

- The state share of funds reflected in this estimate is 70 percent of the highest annual amount expended for family preservation services by 14 counties (Alameda, Contra Costa, Humboldt, Mendocino, Napa, Placer, Riverside, Sacramento, San Diego, San Luis Obispo, Santa Clara, Santa Cruz, Solano, and Stanislaus).
- The nonfederal costs equal 75.88 percent of the total costs, based on FY 1996-97 expenditures.

### METHODOLOGY:

*(All dollar amounts discussed in this section are in thousands.)*

- The amount is being kept at the appropriation level for FY 1997-98.
- For FY 1998-99, the total General Fund (GF) amount from FY 1997-98 (\$7,525) is increased by 3.39 percent for cost-of-doing-business. The total GF amount of \$7,780 is divided by 70 percent to equal the total nonfederal amount of \$11,115. Total funds are calculated by dividing .7588 (percent to total expenditures) into the total nonfederal amount to equal \$14,648. The federal share of \$3,534 is then obtained by subtracting the total nonfederal dollars from the total funds. The county share of costs is \$3,334, based on 30 percent of the total nonfederal dollars.

### FUNDING:

It is assumed that federal and nonfederal costs will be shared at 24.12 percent and 75.88 percent, respectively, based on the most current expenditures. Nonfederal costs will be shared 70 percent state and 30 percent county.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

## State Family Preservation - Permanent Transfer

### REASON FOR YEAR-TO-YEAR CHANGE:

Change in the expenditures percent to total and an increase in the cost-of-doing-business.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$14,916	\$14,648
Federal	4,166	3,534
State	7,525	7,780
County	3,225	3,334
Reimbursements	0	0



## Family Preservation and Support Program - Federal

### DESCRIPTION:

Providing funding for family preservation and community-based family support services, the Omnibus Budget Reconciliation Act of 1993 established a new, capped entitlement program under Title IV-B. California's share of the Family Preservation and Support Program entitlement will be approximately \$84 million over the Federal Fiscal Years (FFYs) 1994 through 1998.

### IMPLEMENTATION DATE:

This premise was implemented on October 1, 1993.

### KEY DATA/ASSUMPTIONS:

- The federal Title IV-B funds cannot be used to supplant existing state or local spending.
- A 25-percent match from state or county funds is required. This match is made available through existing State Family Preservation Program Funds.

### METHODOLOGY:

- The FFY funds for 1996 of \$25,989,033, 1997 of \$29,852,578, and 1998 of \$33,398,317 were converted to the respective state fiscal years (SFYs).
- The federal funds for SFY 1997-98 are being kept at the appropriation level.
- The federal funds for SFY 1998-99 are \$31,311,882 (\$32,511,882 less \$1,200,000 for state operation costs), consisting of \$7,463,145 for the first quarter and \$25,048,737 for the remainder of the year, less \$1,200,000 for state operations costs.

Local Assistance				Conversion to Federal
<u>Fiscal Year</u>	<u>Grant Total</u>	<u>State Fiscal Year</u>		<u>less State Operations</u>
1996	\$25,989,033	1996-97	\$23,649,756	\$23,049,756
1997	\$29,852,578	1997-98	\$28,886,692	\$28,286,692
1998	\$33,398,317	1998-99	\$32,511,882	\$31,311,882

### FUNDING:

This premise reflects only federal grant funds. The grants are two-year grants, and there is a one-year delay in grant utilization.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

## Family Preservation and Support Program - Federal

### REASON FOR YEAR-TO-YEAR CHANGE:

There is an increase in the federal grant for FFY 1998.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$28,287	\$31,312
Federal	28,287	31,312
State	0	0
County	0	0
Reimbursements	0	0

## Level of Care Assessment

### DESCRIPTION:

This premise reflects the social worker costs of using the level of care assessment tool as required by court order. The California Superior Court filed an Order Granting Writ of Mandate on November 4, 1997, directing the Department to comply with WIC Section 11467 (Chapter 1294, Statutes of 1998) which requires the Department to develop and implement a level of care assessment as specified. The level of care assessment tool will be implemented statewide for social workers to use in assessing the needs of every child being placed in out-of-home care (i.e., via emergency response), as well as foster children changing placements due to the prior placement not meeting the child's needs. The court granted compliance in extending the date for statewide implementation to November 1, 1998.

### IMPLEMENTATION DATE:

This premise will implement November 1, 1998.

### KEY DATA/ASSUMPTIONS:

- A 40-minute level of care assessment tool has been developed by the Department in consultation with stakeholders, and will be used on each child coming into out-of-home care, as well as foster children changing placement because the prior placement did not meet the needs of that child.
- The hourly cost of a social worker is based on the average social worker unit cost used in the Child Welfare Services Basic Premise (\$57.64).

### METHODOLOGY:

Level of care assessment is based on the projection of new foster care cases (approximately 63,000), multiplied by the social worker's cost for the 40 minutes assessment for each case. The federal discount rate of 82 percent is applied.

### FUNDING:

Federally eligible costs are shared at 50 percent federal and 50 percent state. Nonfederally eligible costs are funded with 100 percent State General Funds.

### CHANGE FROM PRIOR SUBVENTION:

This is a new premise.

### REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements on November 1, 1998.

## Level of Care Assessment

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$0	\$1,610
Federal	0	660
State	0	950
County	0	0
Reimbursements	0	0

## Independent Living Program

### DESCRIPTION:

The Independent Living Program (ILP) provides training for adolescents aged 16 and over in foster care to enable these children to be independent when their foster care terminates. County welfare departments provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles. The Omnibus Budget Reconciliation Act of 1993 permanently authorized this program.

### IMPLEMENTATION DATE:

This premise was implemented on January 1, 1988.

### KEY DATA/ASSUMPTIONS:

- Funding is based on the federal grant awards for the ILP.
- The annual federal appropriation is allocated to the counties on the basis of the number of foster youth in each county.

### METHODOLOGY:

For Fiscal Year (FY) 1997-98, 100 percent of the federal grant for this program is \$8,024,000. Of this amount, \$7,004,000 is available for local assistance. An additional grant award of \$4,496,000 is allocated to the State to be matched by 50 percent in state or county fund expenditures in FY 1997-98.

For FY 1998-99, 100 percent of the federal grant for this program is \$8,024,000. Of this amount, \$7,004,000 is available for local assistance. An additional grant award of \$4,458,000 is allocated to the State to be matched by 50 percent in state or county fund expenditures in FY 1998-99.

A supplemental federal grant of \$12,252,000 was awarded to the State starting in FY 1998-99. This supplemental federal grant will be spread over a four-year period beginning with FY 1998-99. For FY 1998-99, the amount available is \$2,204,750. Supplemental federal grant funds of 100 percent for this program are \$1,444,000. Of this amount, \$1,288,000 is available for local assistance. Of the supplemental grant, an amount of \$795,000 is allocated to be matched by 50 percent in state or county fund expenditures in FY 1998-99.

### FUNDING:

Funds budgeted are federal grant funds. The matching funds are provided through social worker expenditures within foster care group home assistance payments.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There are increased federal grant funds available beginning FY 1998-99.

## Independent Living Program

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$11,531	\$13,545
Federal	11,531	13,545
State	0	0
County	0	0
Reimbursements	0	0

## Child Welfare Training Program

### DESCRIPTION:

A statewide coordinated training program designed specifically to meet the needs of county child protective services social workers assigned to emergency response, family maintenance, family reunification, permanent placement, and adoptions responsibilities was established by SB 834 (Chapter 1310, Statutes of 1987). The program, which was extended permanently with SB 1125 (Chapter 1203, Statutes of 1991), includes training for other agencies under contract with county welfare departments to provide child welfare services. This premise includes funding for the structured decision making (SDM) model being developed by the National Council on Crime and Delinquency (NCCD), the Department, and seven pilot counties. Additionally, the NCCD contract has been augmented to allow eight additional counties to participate in the “training-only” portion of the SDM model.

The Child Welfare Training Program also includes crisis intervention, investigative techniques, rules of evidence, indicators of abuse and neglect, assessment criteria, intervention strategies, legal requirements of child protection, case management, and the use of community resources.

### IMPLEMENTATION DATE:

This premise was implemented on July 1, 1988.

### KEY DATA/ASSUMPTIONS:

- The implementation of regional training academies started in 1996.
- Funding is based on contract amounts entered into by the Department.

### METHODOLOGY:

The State General Fund (GF) for Fiscal Year (FY) 1998-99 is based on the FY 1997-98 appropriation level. The federal discount rate of 82 percent is applied.

### FUNDING:

Federally eligible costs are shared at 75 percent federal and 25 percent state. Nonfederally eligible costs are funded with 100 percent GF.

### CHANGE FROM PRIOR SUBVENTION:

The NCCD contract has been augmented in FY 1998-99 to allow eight additional counties to participate in “training-only” of the SDM model.

## Child Welfare Training Program

### REASON FOR YEAR-TO-YEAR CHANGE:

The increased funding level is due to the NCCD contract being augmented, allowing eight counties to participate in "training only" of the SDM model, as well as an increase in the foster care federal discount rate.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$3,936	\$4,349
Federal	2,391	2,675
State	1,545	1,674
County	0	0
Reimbursements	0	0



## **Substance Abuse/HIV Infant Program (Options for Recovery)**

### **DESCRIPTION:**

The Options for Recovery program provides funding for recruitment, special training and respite care to specially recruited and trained foster family providers caring for children who have medical problems related to drug or alcohol exposure or to AIDS. Originally established as a demonstration project (SB 1173 (Chapter 1385, Statutes of 1989) and AB 2268 (Chapter 1437, Statutes of 1989)), the Options for Recovery program was extended (SB 1050 (Chapter 296, Statutes of 1993)) and made into a permanent program in 1997 (AB 67 (Chapter 606, Statutes of 1997)).

### **IMPLEMENTATION DATE:**

This premise implemented on July 1, 1989.

### **KEY DATA/ASSUMPTIONS:**

- The savings to the Foster Care Program resulting from diverting children from expensive out-of-home placements are reflected in the trend for foster care.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. Currently, there are approximately 24 counties requesting participation.

### **METHODOLOGY:**

Current and budget year estimates are based on the appropriation level. The foster care federal discount rate of 82 percent is applied to both the training and recruitment components.

### **FUNDING:**

Respite care is funded 70 percent State General Fund (GF) and 30 percent county funds. The training and recruitment components are funded with 75 percent/50 percent federal funds, respectively, after the foster care federal discount rate of 82 percent is applied. The nonfederal portion is funded 70 percent GF and 30 percent county funds.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

The funding level has increased due to the foster care federal discount rate increase.

## Substance Abuse/HIV Infant Program for Recovery)

(Options

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$13,440	\$13,477
Federal	2,439	2,476
State	7,701	7,701
County	3,300	3,300
Reimbursements	0	0

## Child Welfare Services - Pass-Through Title IV-E Costs

### DESCRIPTION:

This premise is to pass-through Title IV-E funds for probation costs, foster parent training, and social work training as described below.

### IMPLEMENTATION DATE:

Probation Costs	June 1991	Foster Parent Training Fund	1990-91
Social Work Training	1992-1993	Foster Parent Training – Chancellor’s Office	1998-99

### METHODOLOGY:

This premise includes the combined estimated expenditures for the following four Title IV-E pass-through costs:

1. Probation Costs. The State applied for and received federal funding for certain functional areas of county probation staff activities that are similar to the Title IV-E eligible tasks of county social services workers. This federal funding source will be passed through to the counties for their federally eligible activities related to the probation cases in the foster care caseload and the Title IV-E eligible training of probation and mental health staff who provide services to children.
2. Foster Parent Training Fund. The Foster Parent Training Fund provides funding for foster parent training programs that are conducted in community colleges in consultation with the California State Foster Parents Association and the Department. Each year \$1 million (total funds) is allocated from the fund to the Foster Parent Training Program. Since the end of 1990-91, the Department of Health and Human Services has allowed Title IV-E funds to be claimed for foster parent training. The federal discount rate of 82 percent is applied to these costs.
3. Foster Parent Training -- Chancellor’s Office. The Title IV-E funds will be used to match the Department of Education’s Proposition 98 funds for the purpose of reimbursing the Chancellor’s Office of the California Community Colleges for the federal share of costs in providing foster parent training. Recently enacted legislation (AB 3062 (Chapter 1016, Statutes of 1996), AB 1127 (Chapter 216, Statutes of 1996), and SB 916 (Chapter 542, Statutes of 1997)) initiated required training for foster parents to become eligible to care for children placed in foster care.
4. Social Worker Training. An agreement between the Department, the University of California (UC) and the California State University (CSU) was made to implement a statewide program to increase the number of social workers employed in California county child welfare services. This effort was initiated due to the shortage of professionals in public child welfare services, especially those holding a master's degree in social work (MSW).

Currently, there are 12 schools of social work participating (Loma Linda University, University of Southern California, two UCs, and eight CSUs). Ten of these schools also include a part-time MSW program. Financial aid is provided through the Title IV-E federal reimbursement program which covers operational costs to the participating institutions and grants to students.

### FUNDING:

Costs shown represent 100 percent federal pass-through. There is no State General Fund match in any of the programs.

## Child Welfare Services - Pass-Through Title IV-E Costs

### CHANGE FROM PRIOR SUBVENTION:

Probation costs have been updated for the most recent expenditures and caseload growth.

### REASON FOR YEAR-TO-YEAR CHANGE:

Changes in probation costs are due to updates in caseload growth and expenditures, as well as the federal foster care discount rate increase. Additionally, the IV-E match of funds for the Chancellor's Office Foster Parent Training program is new to this premise.

### EXPENDITURES:

(in 000's)

<b>Probation:</b>	1997-98 County Admin.	1998-99 County Admin.	<b>Social Worker Training:</b>	1997-98 County Admin.	1998-99 County Admin.
Total	\$77,086	\$84,795	Total	\$13,500	\$13,500
Federal	77,086	84,795	Federal	13,500	13,500
State	0	0	State	0	0
County	0	0	County	0	0
Reimbursements	0	0	Reimbursements	0	0
<b>Foster Parent Training Fund:</b>	1997-98 County Admin.	1998-99 County Admin.	<b>Foster Parent Training – Chancellor's Office:</b>	1997-98 County Admin.	1998-99 County Admin.
Total	\$608	\$615	Total	\$0	\$2,250
Federal	608	615	Federal	0	2,250
State	0	0	State	0	0
County	0	0	County	0	0
Reimbursements	0	0	Reimbursements	0	0
<b>COMBINED TOTAL:</b>	1997-98 County Admin.	1998-99 County Admin.			
Total	\$91,194	\$101,160			
Federal	91,194	101,160			
State	0	0			
County	0	0			
Reimbursements	0	0			

## Foster Parent Training and Recruitment

### DESCRIPTION:

The Department was required to develop and implement an enhanced statewide foster parent training program to expand foster parent training and to provide specialized training for foster parents of children with special care needs, as part of the Foster Care Initiative, AB 2129 (Chapter 1089, Statutes of 1993). Expansion of recruitment activities for minority and sibling placements is specifically emphasized.

### IMPLEMENTATION DATE:

This premise implemented on January 1, 1994.

### KEY DATA/ASSUMPTIONS:

- Total funding is assumed to be split 50 percent for training and 50 percent for recruitment.

### METHODOLOGY:

In Fiscal Year (FY) 1997-98, \$1.5 million in State General Fund (GF) is budgeted as the funding level for this program. For FY 1998-99, the amount was increased by 3.39 percent for cost-of-doing-business, and the federal foster care discount rate of 82 percent has been applied.

### FUNDING:

This program is eligible for Title IV-E federal funding. Of the federal portion, a 75/25 sharing ratio is applied for the training of Child Welfare Services program staff costs, and a 50/50 sharing ratio is applied for recruitment costs. The nonfederal portion is funded with 100 percent GF.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

Funding levels have increased due to increases in the foster care federal discount rate and the cost-of-doing-business.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$2,992	\$3,094
Federal	1,452	1,586
State	1,540	1,508
County	0	0
Reimbursements	0	0

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## **Child Welfare Services - Teen Pregnancy Disincentive**

### **DESCRIPTION:**

This program is designed to discourage teen pregnancy and encourage appropriate parenting of teen parents and their children, as established by AB 908 (Chapter 304, Statutes of 1995). Program guidelines require pregnant and parenting teens to live with their parents or legal guardians as a condition for receiving welfare benefits unless specific conditions exist. Teen parents not living at home will live in an appropriate, supervised setting. Minor parent services (MPS) will be provided if deemed necessary.

### **IMPLEMENTATION DATE:**

The investigations part of this premise implemented on May 1, 1997.

The Minor Parent Services part of this premise implemented on June 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- It is assumed that any situations of abuse or neglect, under Welfare and Institutions Code Section 300 requiring a foster care living arrangement resulting from this investigation, are already reflected in child welfare services (CWS) and foster care trends.
- For the investigation data, it is assumed that a social worker will spend four hours investigating each case. The four hours include one and one-half hours each for two client contacts, including interviews and documentation: one with the teen parent and one with the teen parent's parent(s) or legal guardian. An additional hour is allocated for travel and time to prepare a report of the social worker's findings. It is assumed that 100 percent of the clients applying for welfare benefits will receive an assessment.
- It is assumed that minor parents (mostly those at 17 years of age) allowed to form their own assistance units (AUs) will receive MPS, based on historical family maintenance data. An average of six months of services is estimated for each case, based on the number of estimated minor parents approved for their own AUs at age 17 from the September 1992 AFDC application survey.

### **METHODOLOGY:**

Costs for investigations are based on the four hours of investigating time for the projected caseload. This time is multiplied by the hourly cost of a CWS social worker. The MPS costs are based upon the number of estimated minor parents approved for their own AUs (along with their child) for an average of six months of services estimated for each case. Annual social worker costs, plus 12.98 percent for direct costs are calculated for the total number of MPS cases served.

### **FUNDING:**

The costs of performing the investigations and providing MPS are eligible for funding under the Temporary Assistance for Needy Families block grant. All nonfederal costs are shared 70 percent state and 30 percent county.

### **CHANGE FROM PRIOR SUBVENTION:**

There has been a slight decrease in both caseload growth and investigation costs.

## Child Welfare Services - Teen Pregnancy Disincentive

### REASON FOR YEAR-TO-YEAR CHANGE:

Changes are seen in the increases for the annual cost of a social worker and direct costs. There is a decrease in teen pregnancy caseload growth and investigation caseload.

### EXPENDITURES:

(in 000's)

<b>Combined Total:</b>	1997-98	1998-99
	County Admin.	County Admin.
Total	\$9,630	\$8,069
Federal	4,815	4,034
State	3,370	2,824
County	1,445	1,211
Reimbursements	0	0
<b>Investigations:</b>	1997-98	1998-99
	County Admin.	County Admin.
Total	\$5,318	\$4,624
Federal	2,659	2,312
State	1,861	1,618
County	798	694
Reimbursements	0	0
<b>Minor Parent Services:</b>	1997-98	1998-99
	County Admin.	County Admin.
Total	\$4,312	\$3,445
Federal	2,156	1,722
State	1,509	1,206
County	647	517
Reimbursements	0	0



## Child Welfare Services - Kinship Support Services (AB 1193)

### DESCRIPTION:

This premise authorizes a Kinship Support Services Program to be conducted by the Department, as designated by AB 1193 (Chapter 794, Statutes of 1997). This grants-in-aid program will provide start-up and expansion funds to programs for local kinship support services. These programs are to provide community-based family support services to kinship (relative) caregivers and the children placed in their homes by the juvenile court or who are at risk of dependency or delinquency. Grants will be awarded beginning July 1, 1998.

### IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

### METHODOLOGY:

Since grants will not be awarded until July 1, 1998, the Fiscal Year (FY) 1997-98 appropriation will be rolled over into FY 1998-99. The estimate reflects the balance of funds appropriated for full-year program costs of \$1.5 million.

### FUNDING:

This program is funded 100 percent from the State General Fund (GF). AB 1193 (Chapter 794, Statutes of 1997) appropriates specified sums from the GF to the Department to fund this program.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

Grants will not be awarded until July 1, 1998; therefore, FY 1997-98 appropriation is rolled over into FY 1998-99.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$0	\$750
Federal	0	0
State	0	750
County	0	0
Reimbursements	0	0

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## Child Welfare Services/Case Management System Training

### DESCRIPTION:

This premise funds the increased county costs of conversion to the Child Welfare Services/Case Management System (CWS/CMS) which was implemented as a result of SB 370 (Chapter 1294, Statutes of 1989). These one-time costs result from the staff time necessary to administer a fully operational CWS program while workers, supervisors, and support staff are training or are traveling to training to use the CWS/CMS.

### IMPLEMENTATION DATE:

There is a staggered implementation based on individual county starting dates beginning in Fiscal Year (FY) 1996-97.

### KEY DATA/ASSUMPTIONS:

- Each county's conversion time is assumed to be an average of 48 hours at an overtime rate of time and one-half.
- The 1997 Budget Act allowed for rollover of unexpended funds to FY 1997-98.

### METHODOLOGY:

The calculation starts with each county's number of social workers reported on board in their FY 1996-97 proposed county administrative budgets and a percentage of support staff based on that number. The total number of staff were then applied to each county's individual budgeted salaries for social workers and clerical support staff for 48 hours at an overtime rate of time and one-half.

Based on the amount of state funds available in FY 1996-97 of \$13,160,000 less the projected expenditures of \$3,256,000, the amount of state funds available for FY 1997-98 is \$9,904,000. The federal funds available in FY 1996-97 of \$6,060,000 less the projected expenditures of \$2,280,000, leaves the amount of \$3,780,000 in federal funds available for FY 1997-98.

### FUNDING:

Reappropriation of surplus CWS basic funds from FY 1994-95 are used for this premise. The Title IV-E funds were calculated using each county's individual usage rates which were based on FY 1995-96 expenditure data.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

All monies will be expended in FY 1997-98, therefore, no monies will be available in FY 1998-99.

## Child Welfare Services/Case Management System - Training

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$13,684	\$0
Federal	3,780	0
State	9,904	0
County	0	0
Reimbursements	0	0

## **Child Welfare Services/Case Management System Staff Development**

### **DESCRIPTION:**

This premise will fund staff development for the Child Welfare Services/Case Management System (CWS/CMS) which was implemented as a result of SB 370 (Chapter 1294, Statutes of 1989). This includes training for recently hired staff, training for upgrades or changes in the system, and training for new application trainer/mentor (ATM) staff. This premise also includes training costs for Windows 95 or basic word processing.

### **IMPLEMENTATION DATE:**

This premise implemented on July 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- The estimate for Fiscal Year (FY) 1997-98 assumes there are 9,945 originally trained statewide users that will require 16 hours of upgrade training and/or Windows 95 training.
- Newly hired staff as a result of caseload growth and staff turnover will require 29 hours of training. Newly hired ATM staff as a result of staff turnover will require 80 hours of training.
- The cost per hour of training is \$40.00 for FY 1997-98 and adjusted to \$41.36 for FY 1998-99 due to the cost-of-doing-business.
- The estimate assumes an 11.5 percent staff turnover rate.
- The average caseload growth percentage for CWS is used to estimate the number of statewide users.

### **METHODOLOGY:**

FY 1997-98:

Originally trained users (9,945) will receive 16 hours of upgrade and/or Windows 95 training at a cost of \$40.00 per hour. New staff (1,959) will receive 29 hours of training at a cost of \$40.00 per hour. New ATM staff (34) will require 80 hours of training at a cost of \$40.00 per hour.

FY 1998-99:

New staff (3,631) will receive 29 hours of training at a cost of \$41.36 per hour. New ATM staff (34) will require 80 hours of training at a cost of \$41.36 per hour.

### **FUNDING:**

It is assumed that federal Title IV-E and nonfederal costs will be split at 61.5 percent and 38.5 percent, respectively, after the foster care federal discount rate of 82 percent is applied. Nonfederal costs will be shared 70 percent state and 30 percent county.

## Child Welfare Services/Case Management System Staff Development

### CHANGE FROM PRIOR SUBVENTION:

FY 1998-99 now provides for training of newly hired staff as a result of caseload growth as was provided in FY 1997-98.

### REASON FOR YEAR-TO-YEAR CHANGE:

FY 1998-99 no longer provides for upgrade training and/or Windows 95 training since it will now be incorporated into the training module for newly hired staff.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$8,746	\$4,466
Federal	4,920	2,747
State	2,678	1,203
County	1,148	516
Reimbursements	0	0

## **Child Welfare Services/Caseload Management System Transition Impact**

### **DESCRIPTION:**

This premise funds the increased county costs, on a temporary basis, while workers transition from existing processes to those under the Child Welfare Services/Case Management System (CWS/CMS) which was implemented as a result of SB 370 (Chapter 1294, Statutes of 1989). These one-time costs result from the staff time necessary to administer a fully operational CWS program while going through the normal learning curve associated with a complex system, such as CWS/CMS.

### **IMPLEMENTATION DATE:**

There is a staggered implementation based on individual county starting dates beginning in Fiscal Year (FY) 1996-97.

### **KEY DATA/ASSUMPTIONS:**

- The estimate assumes a three-month learning curve that phases-in each individual county's number of Emergency Response Program cases.
- For the first month of conversion the estimate assumes that four hours are needed to complete an intake call, two hours for the second month, and one hour for the third month. By the fourth month, the time to complete an intake call should take an average of 30 minutes, which is the amount of time considered to be budgeted in the normal CWS basic allocation for this activity.
- Each county's average monthly salary for a social worker was derived from the FY 1997-98 proposed county administrative budget.
- The estimate assumes all counties will have CWS/CMS implemented in FY 1997-98, and there will be no costs for FY 1998-99.

### **METHODOLOGY:**

The calculation starts with each county's average monthly number of emergency response cases and then takes each county's average monthly salary for a social worker and calculates the half-hour rate. This half-hour rate, multiplied by 3.5, is then applied to the number of cases for the first month. The half-hour rate, multiplied by 1.5, is applied to the number of cases for the second month. The half-hour rate is applied to the number of cases for the third month. The total of these three months is each county's resource need.

### **FUNDING:**

This premise will be funded with federal Title IV-E funds at 50 percent after applying the foster care federal discount rate of 75 percent. The nonfederal portion is funded 70 percent State General Fund and 30 percent county funds.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

## Child Welfare Services/Caseload Management System Transition Impact

### REASON FOR YEAR-TO-YEAR CHANGE:

All counties will have implemented CWS/CMS in FY 1997-98, therefore, there will be no costs in FY 1998-99.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$5,487	\$0
Federal	2,058	0
State	2,400	0
County	1,029	0
Reimbursements	0	0



## **Statewide Automation Child Welfare Information System (SACWIS) Pass-Through**

### **DESCRIPTION:**

The Child Welfare Services/Case Management System (CWS/CMS) will provide a comprehensive data base, case management tool, and reporting system for the CWS Program, containing both current and historical information for all children statewide in emergency response, family maintenance, family reunification, and permanent placement. In addition, there will be adoptions information in the system to produce the semiannual adoption and foster care analysis reporting system reports.

When fully implemented, the CWS/CMS will: (1) provide immediate statewide data on referrals for children at risk of abuse, neglect or exploitation; (2) provide immediate case status and case tracking for children and families receiving child welfare services; (3) provide all necessary information and forms required to determine eligibility for the Aid to Families with Dependent Children-Foster Care Program; (4) track all placement activities for children in foster care; and (5) issue the appropriate notice of action messages, court reports and service plans. The system will also produce all required state and federal reports.

Because the CWS Program in California is state supervised but county administered, the State's General Fund (GF) is being used to implement a foundation of equipment for each county to build upon according to that county's specific approach to the administration of CWS. Counties will require additional equipment and staff for system implementation. This premise "passes-through" the federal funds for Statewide Automation Child Welfare Information System (SACWIS)-eligible county CWS/CMS costs for equipment and implementation support staff.

### **IMPLEMENTATION DATE:**

This premise implemented in October of 1995.

### **METHODOLOGY:**

As detailed in the approved Advance Planning Document Update dated October 23, 1995, under the CWS/CMS implementation, the vendor contracted to deliver 5,500 workstations. Based on a survey conducted in July 1995, an additional need of over 5,000 workstations with associated software, printers, network equipment and maintenance was identified. In addition, county resources are required to assist in the implementation of the CWS/CMS. SACWIS implementation support staff include site preparation coordinators, training coordinators, local area network administrators, implementation coordinators with support staff, and conversion coordinators.

## **Statewide Automation Child Welfare Information System (SACWIS) Pass-Through**

### **FUNDING:**

Costs shown represent federal pass-through dollars. There is no GF match. SACWIS-eligible costs are shared at 75 percent federal Title IV-E. Counties will fund the nonfederal share within their own resources.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

Enhanced SACWIS funding for CWS/CMS ended September 30, 1997.

### **EXPENDITURES:**

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$9,466	\$0
Federal	9,466	0
State	0	0
County	0	0
Reimbursements	0	0

## **Child Welfare Services/Case Management Services Ongoing**

### **DESCRIPTION:**

Child Welfare Services/Case Management System (CWS/CMS) will provide a comprehensive data base, case management tool, and reporting system for the Child Welfare Services (CWS) Program, containing both current and historical information for all children statewide in emergency response, family maintenance, family reunification, and permanent placement. In addition, there will be adoptions information in the system to produce the semiannual adoption and foster care analysis reporting system reports.

When fully implemented, the CWS/CMS will: (1) provide immediate statewide data on referrals for children at risk of abuse, neglect or exploitation; (2) provide immediate case status and case tracking for children and families receiving child welfare services; (3) provide all necessary information and forms required to determine eligibility for the Aid to Families with Dependent Children - Foster Care Program; (4) track all placement activities for children in foster care; and (5) issue the appropriate notice of action messages, court reports and service plans. The system will also produce all required state and federal reports.

In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS. This item reflects the costs related to the ongoing and administrative support for the CWS/CMS.

### **IMPLEMENTATION DATE:**

This premise became effective 1995-96.

### **KEY DATA/ASSUMPTIONS:**

- Application maintenance and operations began in January 1997 upon initial rollout of the application, and all counties will be operational by the end of December 1997, upon completion of application rollout. Costs are based on the August 1997 special project report.

### **METHODOLOGY:**

As detailed in the special project report, costs represent ongoing operations and support costs associated with the maintenance and oversight of the CWS/CMS and with the wide-area network maintained by HWDC, HWDC administrative support, and vendor costs related to operation, support, and maintenance of the application and technical architecture. As the current vendor contract expires January 30, 1999, resources are included for the development of a request for proposal and the evaluation process to select a follow-on vendor.

### **FUNDING:**

Federal funding for ongoing CWS/CMS costs is based on the federal cost allocation plan for CMS. Federally eligible costs are shared at 50 percent federal Title IV-E and 50 percent state.

## Child Welfare Services/Case Management Services Ongoing

### CHANGE FROM PRIOR SUBVENTION:

The May 1998 Subvention includes an extension of the development of the request for proposal and evaluation process to select the follow-on vendor.

### REASON FOR YEAR-TO-YEAR CHANGE:

Estimates reflect increased costs in the budget year due to infrastructure changes.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$33,092	\$41,615
Federal	16,546	20,807
State	16,546	20,808
County	0	0
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$33,092	\$41,615
CDSS	0	0
HWDC	33,092	41,615

## **Child Welfare Services/Case Management Services Implementation**

### **DESCRIPTION:**

Child Welfare Services/Case Management System (CWS/CMS) will provide a comprehensive data base, case management tool, and reporting system for the CWS Program, containing both current and historical information for all children statewide in emergency response, family maintenance, family reunification, and permanent placement. In addition, there will be adoptions information in the system to produce the semiannual adoptions and foster care analysis reporting system report.

When fully implemented, the CWS/CMS will: (1) provide immediate statewide data on referrals for children at risk of abuse, neglect or exploitation; (2) provide immediate case status and case tracking for children and families receiving child welfare services; (3) provide all necessary information and forms required to determine eligibility for the Aid to Families with Dependent Children-Foster Care Program; (4) track all placement activities for children in foster care; and (5) issue the appropriate notice of action messages, court reports and service plans. The system will also produce all required state and federal reports.

In July 1995, the Health and Welfare Agency directed the transfer of major information technology projects from the California Department of Social Services (CDSS) to the Health and Welfare Agency Data Center (HWDC). HWDC administers the projects under an interagency agreement with CDSS. This item reflects the costs related to the implementation, development, and administrative support for the CWS/CMS.

### **IMPLEMENTATION DATE:**

This premise was implemented in July of 1990.

### **KEY DATA/ASSUMPTIONS:**

- Costs represent the one-time costs of the project which include system development and implementation costs and direct staff costs required to support the system development. By the end of Fiscal Year (FY) 1997-98, statewide rollout of the application will be completed.

### **METHODOLOGY:**

The estimate includes the following: State HWDC project staff to design, test, and implement the system; county staff to assist with design, testing, and implementation; IBM Global Services vendor contract to develop and implement the system; quality assurance/independent validation and verification contract; county staff to convert active cases to the CWS/CMS database; HWDC costs to develop and install the wide area network; and HWDC administrative support for the project. These costs are reflected in the August 1997 special project report.

## Child Welfare Services/Case Management Services Implementation

### FUNDING:

Federal funding for one-time CMS development costs is based on the federal cost allocation plan for CMS. Federally eligible costs are shared at 75 percent federal Title IV-E and 25 percent state through September 30, 1997. For the remainder of FY 1997-98, the sharing ratio is 50 percent federal Title IV-E and 50 percent state.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

Implementation of the CWS/CMS application will end in June of 1998.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$14,583	\$0
Federal	8,264	0
State	6,099	0
County	220	0
Reimbursements	0	0

### CDSS/HWDC PARTNERSHIP:

(in 000's)

	1997-98	1998-99
Total	\$14,583	\$0
CDSS	2,639	0
HWDC	11,944	0

## Child Health and Safety Fund

### DESCRIPTION:

Section 5028 of the Vehicle Code establishes the Child Health and Safety Fund for the purpose of child abuse prevention in the community. Monies for this fund shall be derived from the Department of Motor Vehicles' "Have a Heart, Be a Star, Help our Kids" license plate program.

### IMPLEMENTATION DATE:

This premise was implemented on July 1, 1997.

### METHODOLOGY:

The funds earned from the license plates are projected based on an average of 34 months of actual plates purchased. Up to 22.5 percent of these earnings can be transferred to the counties.

### FUNDING:

All funds are provided by the Child Health and Safety Fund.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The 1997-98 estimate was based on the Department of Finance's projected revenue amounts. The revised estimate for Budget Year 1998-99 is based on updated information regarding actual revenue amounts.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$248	\$151
Federal	0	0
State	248	151
County	0	0
Reimbursements	0	0

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## Adoptions Program - Basic Costs

### DESCRIPTION:

This item provides basic funding for agency (relinquishment) adoptions in 28 counties which includes funding for three of the counties that provide services in adjacent counties. Additionally, funding is provided for three of the 28 counties for independent adoption. Relinquishment and agency adoption include:

1. Agency (Relinquishment) Adoptions: Placements through a licensed adoption agency in which a child to be adopted has been relinquished by his/her natural parents or in which, due to abuse or neglect, parental rights have been terminated by court action; and
2. Independent Adoptions: Placements in which the parents place a child directly with an adopting family or persons of their choice.

State department staff perform the balance of adoption services in the remaining counties.

### METHODOLOGY:

The 1997-98 and 1998-99 basic adoption services costs are maintained at the 1995-96 appropriation level.

Additional funds for basic adoption services are provided for in the Governor's Adoption Policy Initiative Premise.

### FUNDING:

Funds are based on the 1980 adoptions yardstick, a workload measurement standard. Since that time there has been a State General Fund (GF) cost-of-living-adjustment (COLA) recognized in 1984-85, a federal COLA pass-through recognized in 1987-88, and a caseload adjustment in 1990-91. The Agency Adoptions component is subdivided into federal and nonfederal activities based on the nonfederal adoption assistance program ratio. For federally eligible activities, funding is 50 percent federal Title IV-E, and 50 percent GF. The nonfederal share is 100 percent GF. The composite funding ratios are 32 percent federal IV-E funds and 68 percent GF. Independent adoptions are 100 percent GF. The offset for collected fees is credited 100 percent to the GF. Collection of adoption fees is not a federal mandate.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$27,625	\$27,625
Federal	8,722	8,722
State	18,903	18,903
County	0	0
Reimbursements	0	0

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## Private Agency Adoption Payments

### DESCRIPTION:

This item provides for reimbursements to private agencies for costs associated with adoptive placement of special needs children as established by Welfare and Institutions Code 16122. Once the child is placed, a claim is submitted to the Department for an individual child by the private adoption agency. Departmental program staff check the claim, verify federal eligibility and forward the claim(s) to the Controller's Office for direct issuance of a payment to the private agency being reimbursed. A flat rate of \$3,500 per placement will be paid for an agency's claims submitted for all cases in a given fiscal year. Fiscal control is maintained by departmental program staff.

### IMPLEMENTATION DATE:

July 1, 1992

### KEY DATA/ASSUMPTIONS:

- A reimbursement of \$3,500 per placement will be paid to private agencies.

### METHODOLOGY:

The 1997-98 estimate was based on actual expenditures and private agency adoption placements for Fiscal Year (FY) 1996-97. The 1998-99 costs were updated to reflect the most recent expenditure data. The estimate was based on actual expenditure and caseload data for FY 1996-97 using a cost per case of \$3,500, and a caseload of 261.

### FUNDING:

The funding ratio was based on actual claiming experience from FYs 1991-92 through 1994-95. The federal share of cost is 31 percent, and the state share of cost is 69 percent.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The estimate was updated based on actual caseload and expenditures from FY 1996-97.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$830	\$914
Federal	257	311
State	573	603
County	0	0
Reimbursements	0	0

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## Minority Home Recruitment

### DESCRIPTION:

Minority home recruitment is an ongoing statewide effort to utilize the services of local community organizations and increase the pool of minority adoptive families in order to place more minority children. The program is administered via contracts between the Department and private providers; counties are not directly involved. The Department funds approximately 20 projects through this item.

### IMPLEMENTATION DATE:

This premise was implemented on July 1, 1992.

### KEY DATA/ASSUMPTIONS:

- The Minority Home Recruitment Program will continue to fund approximately 20 projects through this item.

### METHODOLOGY:

The 1997-98 costs were held at the appropriation level. Fiscal Year (FY) 1998-99 was updated for a cost-of-doing-business increase and a change in the number of federally eligible foster care cases.

### FUNDING:

Funding is based on federal and nonfederal ratios in the foster care total caseload. For FYs 1997-98 and 1998-99, costs are funded with 39 percent federal Title IV-E funds and 61 percent General Fund.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The change is reflected by an increase in the federal discount ratio from 79 percent to 82 percent in 1998-99, and by an increase in the cost-of-doing-business percentage (3.0 percent to 3.39 percent).

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$659	\$681
Federal	247	279
State	412	402
County	0	0
Reimbursements	0	0

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## **Adoptions Program County Counsel Costs**

### **DESCRIPTION:**

SB 243 (Chapter 1485, Statutes of 1987) transferred the function of terminating parental rights for court dependents from the State Attorney General's (AG's) Office to the county counsels in those counties that do not provide their own adoption services.

Effective January 1, 1990, county counsels assumed the termination of parental rights functions formerly being performed under contract with the AG's Office. Cost elements of the parental rights termination function are primarily attorney and paralegal costs but also include minor costs such as publication of notices, process server fees, court reporters' fees, sheriffs' fees and expert witness fees, such as for a psychiatrist.

### **IMPLEMENTATION DATE:**

This premise was implemented on January 1, 1990.

### **KEY DATA/ASSUMPTIONS:**

- For 1998-99, approximately 49 new children legally freed for adoption are expected in counties where the State provides adoption services.

### **METHODOLOGY:**

Costs for 1997-98 were increased due to updated actual expenditure data from counties. The 1998-99 base expenditures were updated for the costs of the new children legally freed for adoption on a cost-per-case basis. These base expenditures were estimated by using 1996-97 actual expenditures and updated for a cost-of-doing-business increase.

### **FUNDING:**

The federally eligible case costs are shared 50-50 between federal and state, and the nonfederal case costs are 100 percent State General Fund (GF). There is no county share. Funding is based on adoption assistance payments, federal and nonfederal ratios, which are 40 percent federal Title IV-E funds and 60 percent GF.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

The change is reflected by an increase in the federal discount ratio from 79 percent to 82 percent in 1998-99, and by an increase in the cost-of-doing-business percentage (3.0 percent to 3.39 percent).

## Adoptions Program County Counsel Costs

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$777	\$809
Federal	299	332
State	478	477
County	0	0
Reimbursements	0	0



## Nonrecurring Adoption Expenses

### DESCRIPTION:

Welfare and Institutions Code section 16120.1 implements the requirements of the Federal Tax Reform Act of 1986 that mandated the states to provide reimbursement for nonrecurring adoption expenses to families who adopt special needs children. The California maximum reimbursement amount is \$400 with 50 percent federal sharing. This cap was made permanent by AB 2129 (Chapter 1089, Statutes of 1993).

### IMPLEMENTATION DATE:

This premise was implemented on January 1, 1990.

### KEY DATA/ASSUMPTIONS:

- The maximum reimbursement that can be applied to each case is \$400.

### METHODOLOGY:

Data from the most recent claim history were used to determine that 24.27 percent of the total number of children placed were those with special needs. To determine our estimate for 1998-99, this percentage was applied to the projected number of additional adoptions over 1997-98. The maximum reimbursement of \$400 is applied to each case, and then added to the projected expenditures for 1998-99.

### FUNDING:

The funding for these reimbursements is shared 50/50 between federal and state. There is no county share.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The change in both the current and budget years is due to a decline in the projected number of adoptive placements by the counties as a result of the Adoptions Initiative.

## Nonrecurring Adoption Expense

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$572	\$812
Federal	286	406
State	286	406
County	0	0
Reimbursements	0	0

## County Third Party Contracts

### DESCRIPTION:

AB 1733 (Chapter 1398, Statutes of 1982) established the Child Abuse Prevention, Intervention, and Treatment (CAPIT) Program to fund prevention and intervention services for children at risk of abuse and/or neglect. Contracts with community-based public and private agencies utilize CAPIT funds to provide services to high-risk children and their families, as well as training and technical assistance to funded agencies. The program includes an innovative contract component, which funds innovative, child-centered approaches geared towards the prevention of child abuse and neglect.

### METHODOLOGY:

CAPIT funding of \$8,832,450 is allocated to counties annually. Small counties receive a preset minimum funding level, and the remaining distribution utilizes a formula that considers a county's share of children under the age of 18, children receiving public assistance, and child abuse reports.

A competitive bid process determines the grantees of innovative services contracts of \$859,950.

Training and technical assistance funds in the amount of \$147,600 ensure that the programs effectively serve high-risk children and their families, as well as providing for regional training on various child abuse issues and periodic statewide conferences.

### FUNDING:

CAPIT funding is 100 percent General Fund.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

Fiscal Year 1998-99 includes an augmentation of \$5.0 million for programs that provide services to child victims of abuse and neglect that are not eligible for aid under the Victims of Crime Restitution Fund. These funds will be allocated consistent with the existing methodology utilized in the county allocations.

### EXPENDITURES:

(in 000's)	1997-98	1998-99
	Grant	Grant
Total	\$9,840	\$14,840
Federal	0	0
State	9,840	14,840
County	0	0
Reimbursements	0	0

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## Federal Grants

### DESCRIPTION:

Federal grants directly fund local and private agencies to assist in the development and strengthening of child abuse and neglect prevention and treatment programs. Federal grants under this provision include Crisis Nursery/Respite Care and the Child Abuse Prevention and Treatment Act (CAPTA). The CAPTA grant is now comprised of Title I (consisting of the former Parts A and B) and Title II, otherwise known as the Community-Based Family Resource and Support (CBFRS) grant.

### KEY DATA/ASSUMPTIONS:

- Project funding is contingent upon continued receipt of federal grant awards.

### METHODOLOGY:

The total reflects the following federal grants:	1997-98	1998-99
• Crisis Nursery/Respite Care	\$130,000	\$0
• CAPTA Title I Grants	\$1,663,000	\$2,299,000
• CAPTA Title II – CBFRS	\$1,786,000	\$2,837,000

### FUNDING:

Funding for these projects is 100 percent federal grant funds.

### CHANGE FROM PRIOR SUBVENTION:

Funding reflects current and anticipated expenditures of federal grant awards.

### REASON FOR YEAR-TO-YEAR CHANGE:

In Fiscal Year 1998-99, the County Allocations component of CAPTA Title II – CBFRS will be increased by \$600,000 to reflect additional spending anticipated at the county level.

### EXPENDITURES:

(in 000's)	1997-98	1998-99
	Grant	Grant
Total	\$3,579	\$5,136
Federal	3,579	5,136
State	0	0
County	0	0
Reimbursements	0	0

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## State Children's Trust Fund Program

### DESCRIPTION:

Welfare and Institutions Code section 18969 established the State Children's Trust Fund (SCTF) Program in California. The SCTF provides funding for innovative child abuse and neglect prevention and intervention projects utilizing deposits generated from birth certificate surcharges, state income tax designations, and private donations. Project funding is awarded through proposals submitted to the Office of Child Abuse Prevention (OCAP) of the California Department of Social Services.

### KEY DATA/ASSUMPTIONS:

- The Office of the State Controller accounts for deposits to the SCTF and advises the Department as to the availability of funds.

### METHODOLOGY:

Reflects current funding information available for the SCTF, as provided by the OCAP.

### FUNDING:

SCTF revenue results from fees for birth certificates, grants, state income tax designations, or private donations. Money in the SCTF is continuously appropriated without regard to fiscal years. Funding reflects estimated expenditures, which are displayed for informational purposes only.

### CHANGE FROM PRIOR SUBVENTION:

The current year reduction conforms to actual expenditure utilization and reflects a delay in the implementation of a family resource center initiative.

### REASON FOR YEAR-TO-YEAR CHANGE:

Fiscal Year 1998-99 funding anticipates implementation of the delayed family resource center initiative.

### EXPENDITURES:

(in 000's)	1997-98	1998-99
	Grant	Grant
Total <sup>1</sup>	\$500	\$850
Federal	0	0
State	500	850
County	0	0
Reimbursements	0	0

<sup>1</sup> - Non-add item

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## Juvenile Crime Prevention Program

### DESCRIPTION:

The Juvenile Crime Prevention Program is a comprehensive juvenile delinquency prevention program designed specifically for at-risk youth and their families. Twelve pilot sites that exhibited high rates of juvenile arrest, reported child abuse, out-of-home placement, teen pregnancy, and other selected criteria administer the projects through neighborhood resource centers. The program consists of the following:

- Family Resource Center - provides family support services directly, acts as an information and referral agency, monitors, and evaluates funding proposals;
- Mother and Sons Program - provides support and skills to single mothers of teenage sons to promote positive behaviors and prevent high-risk behavior such as school dropout and gang involvement;
- First Offender Family Preservation Program - provides early intervention services to halt the career of juvenile offenders. The program incorporates a focus on delinquency prevention into the existing Family Preservation Program model, which employs intense levels of comprehensive family support services to prevent disruption and improve family functioning;
- Families and Schools Together - provides elementary school-based parent training and support services to prevent failure, delinquency, and substance abuse; and
- After School Education and Recreation Services - provides supervised recreational activities, field trips, educational components (e.g., tutoring, career development), and community service projects.

### IMPLEMENTATION DATE:

This premise was implemented on January 1, 1996.

### METHODOLOGY:

This premise reflects full-year funding for this program, as appropriated by the Legislature.

### FUNDING:

Juvenile Crime Prevention Program costs are 100 percent General Fund.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

## Juvenile Crime Prevention Program

### EXPENDITURES:

(in 000's)	1997-98	1998-99
	Grant	Grant
Total	\$9,650	\$9,650
Federal	0	0
State	9,650	9,650
County	0	0
Reimbursements	0	0

## Special Programs - Specialized Services

### DESCRIPTION:

The Specialized Services item includes costs for Foster Care Burial, Repatriated Americans, and Assistance Dog Special Allowance Programs.

Foster care burial costs are reimbursements by the State that are provided to foster parents for the costs of a burial plot and funeral expenses, up to \$3,500 per burial, for a child receiving foster care at the time of death.

The Repatriated Americans Program provides temporary help to needy United States citizens returning from foreign countries because of destitution, physical or mental illness, or war.

The Assistance Dog Special Allowance Program provides \$50 per month to Supplemental Security Income/State Supplementary Payment Program recipients who have guide, signal, or service dogs. This allowance is to be used for food and other costs associated with the dogs' care and maintenance.

### KEY DATA/ASSUMPTIONS:

#### Foster Care Burial

- The average monthly program cost for Fiscal Year (FY) 1996-97 was \$9,660.
- The estimated Foster Care Program caseload growth for FY 1997-98 is 7.1 percent and 6.7 percent for 1998-99.

#### Assistance Dog Special Allowance

- The average monthly program cost for FY 1996-97 was \$27,000.

### METHODOLOGY:

#### Foster Care Burial

The Foster Care Burial Program was maintained at the November 1997 Subvention level.

#### Repatriated Americans

The estimate of \$75,000 for FYs 1997-98 and 1998-99 has been maintained at the FY 1996-97 level.

#### Assistance Dog Special Allowance

The funding for FYs 1997-98 and 1998-99 was maintained at the November 1997 Subvention level.

### FUNDING:

The Foster Care Burial and the Assistance Dog Special Allowance Programs are funded with 100 percent State General Funds. The Repatriated Americans Program is 100 percent federally funded through a special Department of Health and Human Services grant.

## Special Programs - Specialized Services

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There was an increase in the federal-eligible expenditures.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$534	\$551
Federal	75	75
State	459	476
County	0	0
Reimbursements	0	0

## Access Assistance/Deaf

### DESCRIPTION:

The Deaf Access Program, under Welfare and Institutions Code Section 10621, serves approximately 2.2 million deaf and hearing-impaired Californians through regional contractors. Services include employment services, counseling, interpreting services, education on deafness and advocacy. Assistance under this program enables deaf and hearing impaired persons access to needed social and community services. Currently, eight regional contractors provide services to the hearing impaired in 30 counties.

### METHODOLOGY:

The funding for Fiscal Years 1997-98 and 1998-99 is maintained at the level established in the 1989-90 Budget Act.

### FUNDING:

This program was initially funded out of the State General Fund (GF). Title XX block grant funds replace \$3,200,000 of the GF.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$3,304	\$3,304
Federal	3,200	3,200
State	104	104
County	0	0
Reimbursements	0	0

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## Maternity Care

### DESCRIPTION:

The Licensed Maternity Home Care Program was established in 1977 by AB 1069 (Chapter 1190, Statutes of 1977) and amended by AB 3805 (Chapter 1636, Statutes of 1990). It provides residential care, counseling and maternity-related services to pregnant, unwed residents of the State who are under 18 years of age at the time of admission. Currently, the Department contracts with four private, nonprofit agencies for services, with one each in Los Angeles (Saint Ann's Maternity Home), Modesto (Bethany Christian Services), San Francisco (Florence Crittenton) and Santa Ana (Mary's Shelter).

### METHODOLOGY:

The level of funding in the 1994-95 appropriation has been continued for Fiscal Year 1997-98. For 1998-99 the level of funding was decreased.

### FUNDING:

This program is funded entirely out of the State General Fund.

### CHANGE FROM PRIOR SUBVENTION:

The 1998-99 grant was decreased due to lower actual expenditures.

### REASON FOR YEAR-TO-YEAR CHANGE:

The change was due to a decrease in funding.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$2,010	\$600
Federal	0	0
State	2,010	600
County	0	0
Reimbursements	0	0

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## Refugee Programs - Refugee Employment Social Services

### DESCRIPTION:

Refugee employment social services are provided to refugees through county welfare departments and contracting agencies. The services are provided through an annual block grant allocation by the Office of Refugee Resettlement. The funds are used to provide employment-related services, such as employability assessment, on-the-job training, English language training, and vocational training.

### METHODOLOGY:

Funding is based on federal award.

### FUNDING:

This program is 100 percent federally funded.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$11,000	\$11,000
Federal	11,000	11,000
State	0	0
County	0	0
Reimbursements	0	0

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## Refugee Programs - Targeted Assistance

### DESCRIPTION:

This program provides services to refugees to enable them to be placed in employment or to receive employment training. The goal of this program is to assist refugees in becoming self-sufficient. Targeted assistance (TA) grants are made available to high refugee-impacted counties. Program components include Employment Services, Work Experience, Vocational Training, Vocational English-as-a-Second-Language, On the Job Training, Economic Development, Skills Upgrading, and Extreme and Unusual Needs.

In addition to regular TA funds, the federal government awards TA discretionary funds to the state for specific local projects. Local agencies develop project proposals in response to a federal announcement. The federal government selects the projects to be funded.

### IMPLEMENTATION DATE:

This premise was implemented on October 1, 1983.

### METHODOLOGY:

Funding is based on federal award.

### FUNDING:

This program is 100 percent federally funded.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$16,000	\$16,000
Federal	16,000	16,000
State	0	0
County	0	0
Reimbursements	0	0

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## County Services Block Grant - Basic Costs

### DESCRIPTION:

The programs funded under the County Services Block Grant include Information and Referral, Adult Protective Services, Adult Out-of-Home Care, Staff Development and Optional Services. Funding for the county welfare departments' administrative costs for these programs has been block-granted since the 1984-85 Budget Act.

### KEY DATA/ASSUMPTIONS:

- The Title XIX reimbursement amount for Fiscal Year (FY) 1997-98 is based on actual expenditure information as reported on the county administrative expense claim for July through December 1997. The funding for 1998-99 is maintained at the 1997-98 level.
- The state dollar amounts were kept constant with the 1997-98 budget appropriation.
- The county dollar amounts displayed reflect the statutory requirement. The actual county expenditures for 1996-97 totaled \$13.5 million.

### METHODOLOGY:

The state and county shares in this item have been maintained at the 1983-84 level of expenditures adjusted for state-granted cost-of-living adjustments of three percent in 1984-85 and four percent in 1985-86. The federal reimbursement level has been adjusted due to Title XIX eligible expenditures.

### FUNDING:

Activities performed by health related providers to help Medi-Cal eligible adults are eligible for Title XIX reimbursement at 75 percent. Other support costs are eligible for Title XIX reimbursement at 50 percent. The balance is split 70 percent state and 30 percent county.

### CHANGE FROM PRIOR SUBVENTION:

This estimate was updated to reflect increased Title XIX eligible expenditures.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

## County Services Block Grant - Basic Costs

### EXPENDITURES:

(in 000s)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$38,228	\$38,228
Federal	0	0
State	\$16,401	\$16,401
County	\$7,029	\$7,029
Reimbursements	\$14,798	\$14,798

## Adult Protective Services Augmentation

### DESCRIPTION:

AB 1571 (Chapter 928, Statutes of 1997) increased the funding for the Adult Protective Services (APS) Program for Fiscal Year (FY) 1997-98. The APS Program is funded under the County Services Block Grant and administered by the county welfare departments. The APS Program provides assistance to elderly and dependent adults who are functionally impaired, unable to meet their own needs, and who are victims of abuse, neglect or exploitation.

### IMPLEMENTATION DATE:

This premise was implemented on July 1, 1997.

### METHODOLOGY:

This program received a \$1 million General Fund augmentation over the 1997-98 Budget Act, with a \$20 million General Fund augmentation in 1998-99, to provide counties with additional resources needed to respond to more APS cases.

### FUNDING:

This program is funded by 70 percent State General Fund and 30 percent county share.

### CHANGE FROM PRIOR SUBVENTION:

The \$10 million General Fund augmentation proposed in the Governor's Budget for 1998-99 was increased to \$20 million General Fund.

### REASON FOR YEAR-TO-YEAR CHANGE:

The budget year reflects a \$19 million General Fund increase over 1997-98.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$1,429	\$28,572
Federal	0	0
State	1,000	20,000
County	429	8,572
Reimbursements	0	0

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## Community Care Licensing - Foster Family Home

### DESCRIPTION:

Foster Family Home (FFH) Program licensing services are provided by 44 counties. This item provides basic funding to the counties for these services. FFH programs in the remaining 14 counties are licensed by the California Department of Social Services' Community Care Licensing Program District Offices.

### KEY DATA/ASSUMPTIONS:

- The workload standard used to determine full-time equivalents (FTEs) is 90 cases per worker.
- The supervisor to worker ratio used to determine FTEs is 6.35:1.

### METHODOLOGY:

The estimate was developed by determining the number of FTEs based on the 1998-99 projected caseload of 9,287 and the workload standard of 90. The FTEs were then expanded to include supervisors at a ratio of 6.35:1 to derive the total number of FTEs. The average statewide cost per FTE was then applied to arrive at the total staff costs.

The 1997-98 State General Fund (GF) was held at the appropriation level.

### FUNDING:

The costs are divided into federal and nonfederal activities based on the actual expenditure data for 1996-97. For federally eligible activities, funding is 50 percent federal Title IV-E and 50 percent GF. The nonfederal share is 100 percent GF.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The estimate was updated based on a 2.2 percent increase in projected caseload and a 9.6 percent increase in unit cost.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	County Admin.	County Admin.
Total	\$11,684	\$13,345
Federal	4,941	5,581
State	6,743	7,764
County	0	0
Reimbursements	0	0

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## Community Care Licensing - Family Day Care

### DESCRIPTION:

Family day care home (FDCH) licensing services are provided by 11 counties. This item provides counties with basic funding for these services. Family day care homes in the remaining 47 counties are licensed by the California Department of Social Services' (CDSS) Community Care Licensing (CCL) District Offices.

### KEY DATA/ASSUMPTIONS:

- The workload standard used to determine full-time equivalents (FTEs) is 358 cases per worker.
- The supervisor to worker ratio used to determine FTEs is 6.35:1.

### METHODOLOGY:

The estimate was developed by determining the number of FTEs based on the 1998-99 projected caseload of 5,467 and the workload standard of 358. The FTEs were then expanded to include supervisors at a ratio of 6.35:1 to derive the total number of FTEs. The average statewide cost per FTE was then applied to arrive at the total staff costs.

The 1997-98 costs were held at the appropriation level less the funds for Tulare County, which transferred the FDCH function back to CDSS District Office beginning August 1, 1997.

### FUNDING:

The program is funded with 100 percent State General Fund.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a 10-percent decrease in caseload projections (6,076 in 1997-98 to 5,467 in 1998-99).

### EXPENDITURES:

(in 000's)

	1998-99	1997-98
	County Admin.	County Admin.
Total	\$1,698	\$1,534
Federal	0	0
State	1,698	1,534
County	0	0
Reimbursements	0	0

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## **Other Departments' TANF MOE Eligible Expenditures CDE Adult Education for CalWORKs Eligibles**

### **DESCRIPTION:**

Section 40.3(a) and (b) of AB 1578 (Chapter 299, Statutes of 1997) appropriated \$25.0 million in State General Funds (GF) for adult education activities designed for current recipients of benefits under the California Work Opportunity and Responsibility to Kids (CalWORKs) Program. This legislation also specified that these education activities be limited to those designed to increase self-sufficiency, job training, and work. Furthermore, these activities are to be provided through classes which are not generally available to persons who are not members of an eligible CalWORKs family. Based on these expenditure requirements, these funds would meet the federal Temporary Assistance for Needy Families (TANF) Program maintenance of effort (MOE) requirements.

### **IMPLEMENTATION DATE:**

This premise was implemented on January 1, 1998.

### **KEY DATA/ASSUMPTIONS:**

- The current year appropriation funding level is \$25.0 million based on budget language contained in Section 40.3(a) and (b) of AB 1578 (Chapter 299, Statutes of 1997).
- It is projected that \$12.5 million will be expended in Fiscal Year (FY) 1997-98. The remaining \$12.5 million will be budgeted in FY 1998-99, along with a \$12.5 million augmentation.
- These funds are required to be expended for educational activities for CalWORKs eligible recipients only. In addition, these activities shall be provided in classes that are not normally available to the general public.

### **METHODOLOGY:**

For FY 1997-98 the estimate reflects the \$12.5 million that the California Department of Education (CDE) anticipates to expend by June 30, 1998. For FY 1998-99 the estimate reflects the remaining \$12.5 million in authority unused in the current year, plus an augmentation of \$12.5 million.

### **FUNDING:**

This program is funded with 100 percent GF.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

## Other Departments' TANF MOE Eligible Expenditures CDE Adult Education for CalWORKs Eligibles

### REASON FOR YEAR-TO-YEAR CHANGE:

Budget Year 1998-99 includes an augmentation of \$12.5 million.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$12,500	\$25,000
Federal	0	0
State	12,500	25,000
County	0	0
Reimbursements	0	0

## **Other Departments' TANF MOE Eligible Expenditures CDE Child Care Growth Over the FFY 1995 Base**

### **DESCRIPTION:**

Based on proposed welfare regulations provided by the Secretary of Health and Human Services, if a state has additional child care expenditures (i.e., expenditures which have not been used towards meeting the Child Care and Development Block Grant (CCDBG) maintenance of effort (MOE) requirement or to receive federal matching funds), these expenditures may count towards the state's Temporary Assistance for Needy Families (TANF) MOE. This is provided that these expenditures are made for families that meet the State's definition for TANF eligibility, as well as all other TANF MOE requirements and limitations set forth in proposed federal regulations. For California these additional expenditures would be determined by the growth in State child care expenditures above the State Fiscal Year (SFY) 1994-95 level. Because California's welfare reform legislation (California Work Opportunity and Responsibility to Kids (CalWORKs)) will not take effect until SFY 1997-98, the growth is broken down to two distinct periods. This premise covers the growth that occurred from SFY 1994-95 to SFY 1996-97 (prior to CalWORKs). For the growth that will occur after SFY 1996-97 (post-CalWORKs) a separate premise has been developed. This premise is referred to as the "CDE Child Care Program Augmentation."

### **IMPLEMENTATION DATE:**

This premise was implemented on July 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- Preliminary regulations under TANF indicate that states will be allowed to count as TANF MOE, expenditures of state funds for child care that are above their Federal Fiscal Year (FFY) 1995 expenditure base. To be countable, these growth funds must be spent on TANF-eligible families and cannot also be used as match to any other federal funds including the CCDBG growth funds.
- Based on information obtained from the Governor's SFYs 1996-97 and 1997-98 Budgets, the SFY 1994-95 expenditure level for Proposition 98 General Fund child care was \$407,200,000, and the SFY 1996-97 appropriation level is \$516,927,000. Consequently, the net growth is \$109,727,000.
- It is assumed that 25 percent of the families served in California Department of Education (CDE) child care programs are eligible for or currently receiving TANF benefits. Consequently, 25 percent of the \$109,727,000, or approximately \$27,432,000, should be countable towards the TANF MOE.

### **METHODOLOGY:**

The methodology is based on the assumption that 25 percent of the growth money spent in CDE's child care programs will benefit families who are currently receiving TANF or are TANF eligible. Applying the 25 percent assumption to the \$109,728,000 in growth funds available in SFY 1997-98, results in \$27,432,000 potentially available as countable towards the TANF MOE. It is assumed that this level of funding will be spent on TANF recipients/eligibles in the current year. This level of spending would also continue for the SFY 1998-99 Budget Year.

## Other Departments' TANF MOE Eligible Expenditures CDE Child Care Growth Over the FFY 1995 Base

### FUNDING:

This program is funded with 100 percent State General Funds.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$27,432	\$27,432
Federal	0	0
State	27,432	27,432
County	0	0
Reimbursements	0	0



## Other Departments' TANF MOE Eligible Expenditures CDE Child Care Program Augmentations

### DESCRIPTION:

Based on proposed welfare regulations provided by the Secretary of Health and Human Services, if a state has additional child care expenditures, i.e., expenditures which have not been used towards meeting the Child Care and Development Block Grant (CCDBG) maintenance of effort (MOE) requirement or to receive federal matching funds, these expenditures may count towards the state's Temporary Assistance for Needy Families (TANF) MOE. This is provided that these expenditures are made for families that meet the state's definition for TANF eligibility, as well as all other TANF MOE requirements and limitations set forth in proposed federal regulations. For California these additional expenditures would be determined by the growth in State child care expenditures above the State Fiscal Year (SFY) 1994-95 level. Because California's welfare reform legislation (California Work Opportunity and Responsibility to Kids (CalWORKs)) will not take effect until SFY 1997-98, the growth is broken down to two distinct periods. This premise covers the growth that will occur after SFY 1996-97 (post-CalWORKs). For the growth that occurred from SFY 1994-95 to SFY 1996-97 (prior to CalWORKs) a separate premise has been developed. This premise is referred to as the "CDE Child Care Growth Over the FFY Base."

### IMPLEMENTATION DATE:

This premise was implemented on January 1, 1998.

### KEY DATA/ASSUMPTIONS:

- Preliminary regulations under TANF indicate that states will be allowed to count as TANF MOE, expenditures of state funds for child care that are above their Federal Fiscal Year (FFY) 1995 expenditure base. To be countable these growth funds must be spent on TANF eligible families and cannot also be used as match to any other federal funds including the CCDBG growth funds.
- Based on information in the Budget Act of 1997 (Item 6110-196-001) and the most current budget revisions for this item, there is approximately \$101,146,000 in augmentation of State General Fund for child care. Of this total, \$39,218,000 is for Stage II Child Care. The remaining \$61,928,000 is for program expansion, the minimum wage impact adjustment, and a general cost-of-living-adjustment (COLA).
- For Stage II Child Care 100 percent of the funds (\$39,218,000) is for families who are eligible for or currently receiving TANF benefits.
- In California Department of Education (CDE) child care programs, other than Stage II, it is assumed that 25 percent of the families served are eligible for or currently receiving TANF benefits. Consequently, 25 percent of the \$61,928,000 or approximately \$15,482,000 should be countable towards the TANF MOE.
- It is assumed that the augmentations in SFY 1997-98 would become part of the base funding in SFY 1998-99. In addition, the Governor's Budget included the cost of annualizing the half-year program expansions and the minimum wage adjustments made in the current year, as well as a 2.22 percent COLA for SFY 1998-99. Twenty-five percent of these costs will be for families who are eligible for or currently receiving TANF benefits.

## Other Departments' TANF MOE Eligible Expenditures CDE Child Care Program Augmentations

### METHODOLOGY:

For SFY 1997-98 the \$101,146,000 in General Fund augmentations for child care were separated into Stage II and non-Stage II funds. The \$39,218,000 in Stage II funds are budgeted specifically for TANF eligibles and are, therefore, counted 100 percent toward the TANF MOE. For the non-Stage II augmentation funds (\$61,928,000), the methodology is based on the assumption that 25 percent of these funds will be spent on families who are currently receiving TANF or are TANF eligible. Applying the 25 percent assumption to the \$61,928,000 in growth funds, results in \$15,482,000 potentially available as countable towards the TANF MOE. Added together, the total SFY 1997-98 augmentation funds countable towards the TANF MOE are \$54,700,000. It is assumed that this level of funding will be spent on TANF recipients/eligibles in the current year.

For SFY 1998-99, the augmentations for SFY 1997-98 would continue as part of the base program. In addition, the Governor's Budget included the cost of annualizing the half-year program expansions and the minimum wage adjustments made in the current year, as well as a 2.22 percent COLA for SFY 1998-99. These new augmentations total approximately \$59,352,000 of which 25 percent, or \$14,840,000, would be applicable to TANF recipients. Adding this amount to the \$54,700,00 in current year augmentation results in \$69,358,000 in funds countable towards the TANF MOE.

### FUNDING:

This program is funded with 100 percent State General Fund (GF).

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

It is estimated that an additional augmentation of \$14,840,000 GF will occur in the budget year.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$51,375	\$69,358
Federal	0	0
State	51,375	69,358
County	0	0
Reimbursements	0	0

## **Other Departments' TANF MOE Eligible Expenditures CDE Child Care Program 1998-99 Augmentation**

### **DESCRIPTION:**

Additional child care expenditures which are not used to meet the Child Care and Development Block Grant (CCDBG) maintenance of effort (MOE) requirement or to receive federal matching funds may count towards the Temporary Assistance for Needy Families (TANF) MOE. This is provided that the expenditures are made for families that meet the State's definition for TANF eligibility, as well as all other TANF MOE requirements and limitations set forth in proposed federal regulations.

For California, additional expenditures would be determined by the growth above the expenditure level in State Fiscal Year (SFY) 1994-95. Since the California Work Opportunity and Responsibility to Kids (CalWORKs) Program will not take effect until SFY 1997-98, the growth is separated into distinct periods. This premise covers the proposed SFY 1998-99 child care funding augmentation. For growth from SFYs 1994-95 to 1996-97, prior to the implementation of CalWORKs, please refer to the "CDE Child Care Growth Over the FFY 1995 Base" premise. For the growth that will occur after SFY 1996-97 (post-CalWORKs), please refer to the "CDE Child Care Program Augmentations" premise.

### **IMPLEMENTATION DATE:**

This premise was implemented on January 1, 1998.

### **KEY DATA/ASSUMPTIONS:**

- Proposed TANF regulations indicate that states will be allowed to count state child care expenditures that are above their Federal Fiscal Year (FFY) 1995 bases towards their TANF MOE requirements. To be countable, these growth funds must be spent on TANF-eligible families and cannot also be used as a match to any other federal funds, including CCDBG growth funds.
- The SFY 1998-99 augmentation is for the purposes of providing stages II and III child care. As with all Stage II/III child care funds, this assumes that 100 percent of the funding is for families in the first 12 months of child care are eligible for or currently receiving TANF benefits, or are transitioning off aid.

### **METHODOLOGY:**

The methodology is based on the assumption that 100 percent of the money spent for Stage II/III child care will benefit families who are currently receiving TANF, are TANF eligible, or are transitioning off aid, resulting in an additional \$63,756 million potentially available as countable towards the TANF MOE.

### **FUNDING:**

This program is funded with 100 percent State General Fund.

## Other Departments' TANF MOE Eligible Expenditures CDE Child Care Program 1998-99 Augmentation

### CHANGE FROM PRIOR SUBVENTION:

This premise has been revised to include only those estimated payments for families in the first 12 months of child care.

### REASON FOR YEAR-TO-YEAR CHANGE:

The augmentation begins in Budget Year 1998-99.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$0	\$63,756
Federal	0	0
State	0	63,756
County	0	0
Reimbursements	0	0

## **Other Departments' TANF MOE Eligible Expenditures CDE Child Care Resource and Referral Augmentation**

### **DESCRIPTION:**

The California Department of Education (CDE) budget provides funding for 61 Resource and Referral (R&R) Program agencies serving all 58 counties in the State. R&R agencies provide information to parents and the community regarding the availability of child care, assist potential providers in the licensing process, and coordinate community resources for the benefit of parents and local child care providers.

This funding augmentation would enable compliance with provisions contained in AB 1542 (Chapter 270, Statutes of 1997) which specify that R&Rs work closely with county welfare departments (CWDs) to ensure that California Work Opportunity and Responsibility for Kids (CalWORKs) families obtain child care quickly and efficiently. As a result, it is anticipated that some R&Rs will co-locate to CWDs in order to link CalWORKs families with appropriate child care services.

### **IMPLEMENTATION DATE:**

This premise was implemented on January 1, 1998.

### **KEY DATA/ASSUMPTIONS:**

- The Resource and Referral Network assumes that 52 R&Rs will be co-located in 156 CWD offices, resulting in increased costs to R&Rs.
- The estimate assumes that 100 percent of the augmentation to expand R&R agency services will benefit CalWORKs families. Accordingly, 100 percent of the State General Fund (GF) Proposition 98 funds are countable towards the Temporary Assistance for Needy Families (TANF) maintenance of effort (MOE) requirement.

### **METHODOLOGY:**

The methodology is based on the assumption that 100 percent of the funding augmentation will benefit families who are currently receiving TANF or are TANF eligible, resulting in \$4 million potentially available as countable towards the TANF MOE.

### **FUNDING:**

This program is funded with 100 percent GF.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

## **Other Departments' TANF MOE Eligible Expenditures CDE Child Care Resource and Referral Augmentation**

### **REASON FOR YEAR-TO-YEAR CHANGE:**

All expenditures will occur in Budget Year 1998-99.

## EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$0	\$4,000
Federal	0	0
State	0	4,000
County	0	0
Reimbursements	0	0

## Other Departments' TANF MOE Eligible Expenditures CDE Child Care CCDBG MOE

### DESCRIPTION:

Prior to the implementation of federal welfare reform, California received federal funding for child care through Title IV-A of the Social Security Act and the Child Care Development Block Grant (CCDBG). Title IV-A funds were used to provide child care for families on welfare, those transitioning off welfare, and those at risk of going on welfare. CCDBG funds were used to provide child care for the working poor. As a part of the federal welfare reform under Public Law 104-193, these two federal child care funding streams were merged into the new CCDBG. In order for states to receive this portion of the CCDBG, they are required to spend a level of funding equal to their Federal Fiscal Year 1994 nonfederal share of child care expenditures under the old Title IV-A Program. For California this maintenance of effort (MOE) level was originally set at \$92,946,000. The MOE was subsequently revised to \$85,600,000. The California Department of Education (CDE) is the single state agency that receives the federal CCDBG funds. However, for State Fiscal Year (SFY) 1997-98 CDE is sharing these funds with the California Department of Social Services (CDSS) through an interagency agreement.

### IMPLEMENTATION DATE:

This premise was implemented on October 1, 1996.

### KEY DATA/ASSUMPTIONS:

- Federal regulations will allow State expenditures for child care to satisfy both the CCDBG MOE and Temporary Assistance for Needy Families (TANF) Program MOE, provided that these expenditures meet the MOE requirements for both grants.
- All TANF-eligible families would meet CCDBG eligibility requirements and would, therefore, meet both the CCDBG and TANF MOE expenditure requirements.
- The total "double" countable expenditures cannot exceed the MOE level for the CCDBG (\$85,600,000).
- For the SFY 1997-98 Local Assistance Item, CDSS budgeted \$52,031,000 in CCDBG funds that it will receive through an interagency agreement with CDE.
- For SFY 1997-98, the CCDBG MOE will be met through \$52,031,000 in state and county funds budgeted in CDSS for child care programs for TANF families and \$33,569,000 in State General Funds (GF) budgeted in CDE for their child care programs.
- For SFY 1998-99, the CCDBG MOE will be met through GF budgeted in CDE for their child care programs. TANF families represent a significant enough portion of the low-income families served within the CDE child care programs to account for \$85,600,000 in base GF expenditures.

## Other Departments' TANF MOE Eligible Expenditures CDE Child Care CCDBG MOE

### METHODOLOGY:

Since the CDSS and CDE nonfederal funds counted as meeting the MOE requirement for the CCDBG are also assumed to be expended on TANF-eligible families in SFY 1997-98, all \$85,600,000 in funding is reflected as TANF MOE. For SFY 1998-99 the estimate reflects the same expenditure level as the current year, although the MOE GF will be budgeted within CDE child care programs.

### FUNDING:

For SFY 1997-98 the MOE funds consist of \$52,031,000 in nonfederal funds budgeted in CDSS (\$5,297,000 county and \$46,734,000 GF) and \$33,569,000 in GF budgeted in CDE. For SFY 1998-99 the MOE is funded with 100 percent GF budgeted in CDE.

### CHANGE FROM PRIOR SUBVENTION:

The estimated MOE expenditure has been reduced to reflect the revision in the MOE expenditure level.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$85,600	\$85,600
Federal	0	0
State	85,600	85,600
County	0	0
Reimbursements	0	0



## **Other Departments' TANF MOE Eligible Expenditures Community Colleges - Expansion of Services to TANF Eligibles**

### **DESCRIPTION:**

AB 107 (Chapter 282, Statutes of 1997) appropriated \$65.0 million in State General Funds (GF) for the purpose of assisting students who are Temporary Assistance for Needy Families (TANF) Program recipients, including those transitioning from TANF, to achieve long term self-sufficiency through coordinated student services offered at community colleges. These services include work-study, other educational-related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. Current TANF recipients may utilize these services until their educational objectives are met, but for no longer than three years. Based on these expenditure requirements, these funds would meet the federal requirements for counting towards the TANF maintenance of effort (MOE).

### **IMPLEMENTATION DATE:**

This premise was implemented on July 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- The current year appropriation funding level is \$65.0 million based on budget language contained in Schedule v of Item 6870-101-001 (Chapter 282, Statutes of 1997 ).
- A minimum of \$15.0 million has to be spent for child care for TANF recipients.
- These funds are required to be expended for educational-related services for California Work Opportunity and Responsibility to Kids Program eligible recipients only.

### **METHODOLOGY:**

Since the entire program funding is assumed to be expended on TANF-eligible families in Fiscal Year (FY) 1997-98, all \$65.0 million in available funding is reflected as TANF MOE. For FY 1998-99, the estimate reflects the same funding level as the current year.

### **FUNDING:**

This program is funded with 100 percent GF.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

There is no change.

## Other Departments' TANF MOE Eligible Expenditures Community Colleges – Expansion of Services to TANF Eligibles

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$65,000	\$65,000
Federal	0	0
State	65,000	65,000
County	0	0
Reimbursements	0	0

## **Other Departments' TANF MOE Eligible Expenditures Community Colleges – Child Care Facility Grants**

### **DESCRIPTION:**

AB 1578 (Chapter 299, Statutes of 1997) appropriated \$10.0 million in State General Funds (GF) for child care facility grants for California Community Colleges. The Chancellor of the California Community Colleges will allocate these funds to community colleges through a request-for-proposal process. Priority for these grants is to expand the capacity of child care facilities in order to meet the increase needs of students who are eligible for or receiving California Work Opportunity and Responsibility to Kids (CalWORKs) Program funding. Based on the purpose and focus for these funds, they would meet the federal requirements for counting towards the Temporary Assistance for Needy Families (TANF) Program's maintenance of effort (MOE).

### **IMPLEMENTATION DATE:**

This premise was implemented on January 1, 1998.

### **KEY DATA/ASSUMPTIONS:**

- The current year appropriation funding level is \$10.0 million based on budget language contained in Section 41(f) of AB 1578 (Chapter 299, Statutes of 1997).
- Priority for these funds is for expansion of child care facilities that meet the needs of students who are CalWORKs Program recipients or CalWORKs eligible.
- All funds will be allocated and expended on TANF-eligible families within Fiscal Year (FY) 1997-98.

### **METHODOLOGY:**

Since the entire funding augmentation is assumed to be expended on TANF-eligible families within FY 1997-98, all \$10.0 million in available funding is reflected as TANF MOE.

### **FUNDING:**

This program is funded with 100 percent GF.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

The entire funding augmentation will be expended within FY 1997-98.

## Other Departments' TANF MOE Eligible Expenditures Community Colleges – Child Care Facility Grants

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$10,000	\$0
Federal	0	0
State	10,000	0
County	0	0
Reimbursements	0	0

## Other Departments' TANF MOE Eligible Expenditures Employment Training Panel Fund

### DESCRIPTION:

AB 1542 (Chapter 270, Statutes of 1997) added section 1611.5 to the Unemployment Insurance Code which authorizes the Legislature to appropriate annually up to \$20.0 million in Employment Training Panel (ETP) funds for training programs designed for workers who are current or recent recipients of benefits under the CalWORKs Program. The legislation also authorizes the carryover of unencumbered funds from Fiscal Year (FY) 1997-98 to FY 1998-99.

### IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

### KEY DATA/ASSUMPTIONS:

- The Legislature can appropriate up to \$20.0 million in ETP funds each fiscal year for training programs for current or recent welfare recipients.
- Based on discussions with the Employment Training Panel approximately \$10.0 million of the \$20.0 million appropriated for FY 1997-98 will be expended.
- It is assumed that the \$10.0 million in unencumbered funds from FY 1997-98 will be carried over to FY 1998-99 and that the Legislature will reappropriate these funds along with another \$10.0 million appropriation of new ETP funds.

### METHODOLOGY:

For FY 1997-98 the estimate reflects the \$10.0 million that the Employment Training Panel anticipates to encumber by June 30, 1998. For FY 1998-99 the estimate reflects \$20.0 million in ETP funds, which consist of \$10.0 million in unencumbered funds reappropriated from FY 1997-98 plus \$10.0 million in newly appropriated funds.

### FUNDING:

This program is funded 100 percent with State General Funds.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

## Other Departments' TANF MOE Eligible Expenditures Employment Training Panel Fund

### REASON FOR YEAR-TO-YEAR CHANGE:

It is assumed that the \$10.0 million in unencumbered funds from FY 1997-98 will be carried over to FY 1998-99.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$10,000	\$20,000
Federal	0	0
State	10,000	20,000
County	0	0
Reimbursements	0	0

## Other Departments' TANF MOE Eligible Expenditures CDE K-12 Child Care Facilities Revolving Fund

### DESCRIPTION:

Chapter 299, Statutes of 1997 (Section 9 of AB 1578) established the Child Care Facilities Revolving Fund to provide funding for the purchase of new relocatable child care facilities for lease to school districts and contracting agencies who provide child care and developmental services. Chapter 282, Statutes of 1997 (AB 107) reappropriated \$25,000,000 in State General Funds to fund this program.

### IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

### KEY DATA/ASSUMPTIONS:

The California Department of Social Services (CDSS) and the California Department of Education (CDE) have reviewed the Child Care Facilities Revolving Fund and determined that the revolving fund is a loan program for school districts. Since loans must be repaid, they are not expenditures. Therefore, the Child Care Facilities Revolving Fund cannot be used as a maintenance of effort (MOE) expenditure.

### METHODOLOGY:

This premise has no fiscal impact.

### FUNDING:

This premise has no fiscal impact.

### CHANGE FROM PRIOR SUBVENTION:

The premise has been changed to reflect that the Child Care Facilities Revolving Fund cannot be used as a MOE expenditure.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no year-to-year change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$0	\$0
Federal	0	0
State	0	0
County	0	0
Reimbursements	0	0

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## **Other Departments' TANF MOE Eligible Expenditures DHS – Community Challenge Grant Program**

### **DESCRIPTION:**

This is a three-year program in which the Department of Health Services (DHS) provides grants to community-based nonprofit organizations and county/local governments to implement locally developed prevention and intervention strategies that promote responsible parenting and address the problem of unwed pregnancies. This program's goals are similar to those of the Temporary Assistance for Needy Families (TANF) Program in that they both seek to reduce the incidence of out-of-wedlock births and promote responsible parenting.

### **IMPLEMENTATION DATE:**

Although this program was implemented in Fiscal Year (FY) 1996-97, counting these eligible expenditures against the TANF maintenance of effort (MOE) requirement began July 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- Since the program is open to everyone in the community, the Department is only counting the portion of annual funding that represents the ratio of welfare recipients to the State's total population.
- Based on data from the October 1996 Aid to Families With Dependent Children Characteristics Survey, approximately 7.7 percent of the State's total population is on welfare.
- Total current year funding for the program is \$20,000,000. Per FY 1997-98 Budget Act language in Item 4260-111-0001, Provision 4(e), funding for program services is \$19,148,000. In addition, \$852,000 is budgeted for administrative cost within state support.
- Based on discussions with the DHS' Budget Office, FY 1998-99 funding will remain at the FY 1997-98 level.

### **METHODOLOGY:**

The total available funding (\$20,000,000) is multiplied by the percentage of welfare recipients in California's total population (7.7 percent). This translates into \$1,540,000 in funds countable towards the TANF MOE. The same calculation methodology and figures are used for both the FY 1997-98 and FY 1998-99 estimates.

### **FUNDING:**

This program is funded 100 percent with State General Funds.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

## Other Departments' TANF MOE Eligible Expenditures DHS – Community Challenge Grant Program

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$1,540	\$1,540
Federal	0	0
State	1,540	1,540
County	0	0
Reimbursements	0	0

## **Other Departments' TANF MOE Eligible Expenditures DHS – Teenage Pregnancy Prevention Program**

### **DESCRIPTION:**

This Department of Health Services (DHS) program includes the Male Involvement Program and the Teenage Pregnancy Prevention Media Campaign. The program's goals are to provide information, education and counseling, promote sexual abstinence among teens, enhance male involvement and fatherhood responsibility, including the legal, social, health and economic consequences. The media campaign component aims to heighten public commitment to implementing effective solutions to the problems of teenage pregnancy and increase public participation in mentoring programs throughout California. This program's goals are similar to those of the Temporary Assistance for Needy Families (TANF) Program in that they both seek to reduce the incidence of out-of-wedlock births and promote responsible parenting for at-risk adolescents.

### **IMPLEMENTATION DATE:**

Although this program was implemented in Fiscal Year (FY) 1995-96 counting these eligible expenditures against the TANF maintenance of effort (MOE) requirement began July 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- Since the program is open to all at-risk adolescents in the community, the Department is only counting the portion of annual funding that represents the ratio of welfare recipients to the State's total population.
- Based on data from the October 1996 Aid to Families With Dependent Children Characteristics Survey, approximately 7.7 percent of the State's total population is on welfare.
- Total current year funding for the program is \$11,755,000, consisting of \$11,007,000 for program services, and \$748,000 in administrative cost within state support.
- Based on discussions with the DHS' Budget Office, FY 1998-99 funding will remain at the FY 1997-98 level.

### **METHODOLOGY:**

The total available funding (\$11,755,000) is multiplied by the percentage of welfare recipients in California's total population (7.7 percent). This translates into \$905,000 in funds countable towards the TANF MOE. The same calculation methodology and figures are used for both the FY 1997-98 and FY 1998-99 estimates.

### **FUNDING:**

This program is funded 100 percent with State General Funds.

## Other Departments' TANF MOE Eligible Expenditures DHS – Teenage Pregnancy Prevention Program

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$905	\$905
Federal	0	0
State	905	905
County	0	0
Reimbursements	0	0

## **Other Departments' TANF MOE Eligible Expenditures DCSD – Migrant Seasonal Worker Food Program**

### **DESCRIPTION:**

AB 107 (Chapter 282, Statutes of 1997) established the Migrant Seasonal Worker Food (MSWF) Program within the Department of Community Services and Development (DCSD). The program provides for the food assistance needs of the legal immigrant migrant seasonal farm worker populations who would have been eligible for the federal Food Stamp Program prior to the passage of Public Law 104-193. Based on this program's similarity to the Department's California Food Assistance Program, funding for the MSWF Program is assumed to be countable towards the Temporary Assistance for Needy Families (TANF) Program's maintenance of effort (MOE) requirement.

### **IMPLEMENTATION DATE:**

The premise of counting these eligible expenditures against the TANF MOE requirement began July 1, 1997.

### **KEY DATA/ASSUMPTIONS:**

- DCSD will design this program to focus services on TANF-eligible families and will expend all funding within the current year.
- Total current-year funding for the program is \$2,000,000 based on Fiscal Year (FY) 1997-98 Budget Act language in Item 4700-101-0001, Provision 1.
- Based on discussions with Department of Finance staff, this program is not part of the FY 1998-99 funding base.

### **METHODOLOGY:**

Since the entire program funding is assumed to be expended on TANF-eligible families in FY 1997-98, all \$2,000,000 in available funding is reflected as TANF MOE.

### **FUNDING:**

This program is funded 100 percent with State General Funds.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

Based on discussions with Department of Finance staff, this program is not part of the FY 1998-99 funding base.

## Other Departments' TANF MOE Eligible Expenditures DCSD – Migrant Seasonal Worker Food Program

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$2,000	\$0
Federal	0	0
State	2,000	0
County	0	0
Reimbursements	0	0

## **Other Departments' TANF MOE Eligible Expenditures TANF Pass-Through Match**

### **DESCRIPTION:**

These funds represent the State General Fund (GF) match required of other State departments that receive Temporary Assistance for Needy Families (TANF) Program funds through interagency agreements with the California Department of Social Services (CDSS). These TANF and state matching funds are used to provide vocational education and other employment services to TANF recipients. Currently, CDSS has interagency agreements (IAs) with the California Community Colleges (CCC), the State Department of Education (SDE), and the Employment Development Department (EDD).

### **IMPLEMENTATION DATE:**

This premise implements July 1, 1998.

### **KEY DATA/ASSUMPTIONS:**

- The Fiscal Year (FY) 1997-98 figure of \$21,648,000 represents the current IA budgeted levels.
- The current year funding level will be assumed until such time as the IAs for FY 1998-99 are negotiated and signed.
- The IAs require that all TANF funds be matched as part of the State's maintenance of effort requirement under TANF.

### **METHODOLOGY:**

The estimate reflects actual match amounts required in the FY 1997-98 IAs with CCC, SDE, and EDD. The FY 1998-99 estimate is based on the FY 1997-98 match requirements, but will be revised when the IAs for the budget year are completed.

### **FUNDING:**

This program is funded with 100 percent GF.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

There is no change.

## Other Departments' TANF MOE Eligible Expenditures TANF Pass-Through Match

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$21,648	\$21,648
Federal	0	0
State	21,648	21,648
County	0	0
Reimbursements	0	0



## Other Departments' TANF MOE Eligible Expenditures CDE Infant and Toddler Expansion

### DESCRIPTION:

The California Department of Education's Office of Child Development and Education (OCDE) proposes to provide \$10.0 million in new Proposition 98 funds for the expansion of child care and development services for infants and children under three years of age.

The OCDE proposal includes incorporating recent research on brain development in criteria for infant and toddler care programs and establishing a healthy start infant and toddler outreach program through existing sites to serve families with young children who do not have a sibling in school.

### IMPLEMENTATION DATE:

This premise implement January 1, 1998.

### KEY DATA/ASSUMPTIONS:

- It is assumed that 25 percent of the families served by this program will be eligible for or are currently receiving Temporary Assistance for Needy Families (TANF) benefits. Accordingly, 25 percent of the State General Fund (GF) Proposition 98 funds are countable towards the TANF maintenance of effort (MOE) requirement.

### METHODOLOGY:

Applying the 25 percent assumption to the \$10.0 million GF Proposition 98 funds proposed for expenditure in Fiscal Year 1998-99 results in \$2.5 million potentially available as countable towards the TANF MOE.

### FUNDING:

This program is funded with 100 percent GF.

### CHANGE FROM PRIOR SUBVENTION:

There is no change.

### REASON FOR YEAR-TO-YEAR CHANGE:

The expansion of services begins in the budget year.

## Other Departments' TANF MOE Eligible Expenditures CDE Infant and Toddler Expansion

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$0	\$2,500
Federal	0	0
State	0	2,500
County	0	0
Reimbursements	0	0

## **Other Departments' TANF MOE Eligible Expenditures CDE Pre-Kindergarten Initiative**

### **DESCRIPTION:**

The California Department of Education (CDE) budget provides funding for the purposes of serving children under the federal poverty level in such programs as Head Start, State Preschool or other CDE child care and development programs.

The Office of Child Development and Education (OCDE) proposes to provide \$100.0 million over the next two years to expand the state Preschool Program to serve all four-year-olds in families under the federal poverty level who are not currently being served by these programs.

The OCDE proposal includes funding preschool slots, development of learning guidelines that address appropriate developmental milestones for the pre-kindergarten age group, and an ongoing education outreach program for trainers, to teach providers to implement the pre-kindergarten learning development guidelines.

### **IMPLEMENTATION DATE:**

This premise was implemented on January 1, 1998.

### **KEY DATA/ASSUMPTIONS:**

It is assumed that 20 percent of the families served by this program will be eligible for or are currently receiving Temporary Assistance for Needy Families (TANF) benefits. Accordingly, 20 percent of the General Fund (GF) Proposition 98 funds are countable towards the TANF maintenance of effort (MOE) requirement.

### **METHODOLOGY:**

The methodology is based on the assumption that 20 percent of the money spent on the expansion of the Preschool Program will benefit families who are currently receiving TANF or are TANF eligible. Applying the 20 percent assumption to the \$25.0 million GF Proposition 98 funds proposed for in Fiscal Year 1998-99 results in \$5 million potentially available as countable towards the TANF MOE.

### **FUNDING:**

This program is funded with 100 percent GF.

### **CHANGE FROM PRIOR SUBVENTION:**

There is no change.

### **REASON FOR YEAR-TO-YEAR CHANGE:**

The fiscal impact of this premise begins in Budget Year 1998-99.

## Other Departments' TANF MOE Eligible Expenditures CDE Pre-Kindergarten Initiative

### EXPENDITURES:

(in 000's)

	1997-98	1998-99
	Grant	Grant
Total	\$0	\$5,000
Federal	0	0
State	0	5,000
County	0	0
Reimbursements	0	0

## **DISCONTINUED PREMISES**

### **101 CALWORKS**

#### **CHILD SUPPORT**

POP Collections

-

It is assumed that

the collections as a result of this premise are now reflected in basic.

Federal Medical Assistance Percentage

- The result of this premise is now reflected in basic.

#### **FOSTER CARE PROGRAM**

Federal Medical Assistance Percentage

- The result of this premise is now reflected in basic.

### **111 SSI/SSP / IHSS**

#### **SSI/SSP**

January 1998 COLA

- The result of this premise is now reflected in basic.

New Disabled Legal Immigrant Applicants

- The result of this premise is now reflected in basic.

December 1995 Payment Standard Reduction

- The result of this premise is now reflected in basic

#### **IHSS**

Federal Medical Assistance Percentage

- The result of this premise is now reflected in basic.

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